DRAFT RED HERRING PROSPECTUS
Dated February 10, 2025
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

(Please scan this QR code to view this Draft Red Herring Prospectus)

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RITE WATER SOLUTIONS (INDIA) LIMITED

CORPORATE IDENTITY NUMBER: U29100MH2004PLC148812

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
Plot No. K-60, MIDC Industrial Area Hingna Road, Nagpur – 440 016, Maharashtra, India	Shree Vasant Enclave, 81, P&T Colony, Cement Road, Rana Pratap Nagar, Nagpur – 440 022, Maharashtra, India	Amit Ahuja *Company Secretary and Compliance Officer*	**Email**: info@ritewater.in **Telephone**: +91 71 2222 0002	www.ritewater.in

OUR PROMOTERS: VINAYAK S. GAN AND ABHIJEET V. GAN

DETAILS OF THE OFFER

TYPE OF OFFER	SIZE OF THE FRESH ISSUE	SIZE OF THE OFFER FOR SALE	TOTAL OFFER SIZE^	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 3,000.00 million	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 4,450.00 million	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 7,450.00 million	The Offer is being made in compliance with Regulation 6(1) of the of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"). For further details, see "*Other Regulatory and Statutory Disclosures – Eligibility for the Offer*" on page 429. For details of share reservation among QIBs, NIIs and RIIs, see "*Offer Structure*" on page 447.

DETAILS OF THE OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED (UP TO)/AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)#*
Vinayak S. Gan	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 850.00 million	0.07
Abhijeet V. Gan	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 900.00 million	0.14
Water Access Acceleration Fund S.L.P.**	Investor Selling Shareholder	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 2,700.00 million	48.17

** As certified by PKF Sridhar & Santhanam LLP, Chartered Accountants, with firm registration number 003990S/S200018, pursuant to their certificate dated February 10, 2025.*
 # Calculated on a fully diluted basis assuming conversion of outstanding CCPS into a maximum of 13,815,930 Equity Shares of face value of ₹2 each.
***As on the date of this Draft Red Herring prospectus, Water Access Acceleration Fund S.L.P does not hold any Equity Shares. An aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares in aggregate pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such outstanding CCPS will convert into shall be determined at the time of conversion, prior to the filing of the Red Herring Prospectus with the RoC, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. The proposed conversion, as mentioned above, has been considered while computing the weighted average cost of acquisition of Equity Shares held as on date of this Draft Red Herring Prospectus.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 2 each. The Floor Price, Cap Price and Offer Price (as determined by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations) and 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 Offer Price*" on page 128, 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 and/or sustained trading in the Equity Shares 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 Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the 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.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which 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. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements specifically made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus to the extent such statements solely relate to such Selling Shareholder and the Equity Shares offered by such Selling Shareholder in the Offer for Sale, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. No Selling Shareholder, severally or jointly, assumes responsibility for any other statements, disclosures or undertakings in this Draft Red Herring Prospectus, including, inter alia, any of the statements, disclosures or undertakings made or confirmed by or relating to our Company or its business or any other Selling Shareholder or any other persons.

LISTING

The Equity Shares, offered through the Red Herring Prospectus, are proposed to be listed on the Stock Exchanges being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", together with BSE, the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of this Offer, the Designated Stock Exchange is [●].

BOOK RUNNING LEAD MANAGERS

NAME AND LOGO OF THE BOOK RUNNING LEAD MANAGERS		CONTACT PERSON	EMAIL AND TELEPHONE
JM FINANCIAL	**JM Financial Limited**	**Prachee Dhuri**	**E-mail**: ritewater.ipo@jmfl.com **Telephone**: +91 22 6630 3030
AXIS CAPITAL	**Axis Capital Limited**	**Mayuri Arya / Pratik Pednekar**	**E-mail**: ritewater.ipo@axiscap.in **Telephone**: +91 22 4325 2183

REGISTRAR TO THE OFFER

NAME AND LOGO OF THE REGISTRAR		CONTACT PERSON	EMAIL AND TELEPHONE
Bigshare Services Pvt. Ltd.	**Bigshare Services Private Limited**	**Vinayak Morbale**	**E-mail**: investor@bigshareonline.com **Telephone**: + 91 22 6263 8200

BID/OFFER PERIOD

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

**Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid on the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date i.e. [●].*
***Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
 # The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.
*^^ Our Company, in consultation with the BRLMs, may consider an issue of specified securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 600.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the Fresh Issue size. Our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

DRAFT RED HERRING PROSPECTUS
Dated February 10, 2025
Please read section 32 of the Companies Act, 2013
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

RITE WATER SOLUTIONS (INDIA) LIMITED

Our Company was originally incorporated as "Nagpur Aquatech Private Limited" under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated September 24, 2004, issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). Subsequently, the name of our Company was changed to "Rite Water Solutions (India) Private Limited" to convey a better picture of the nature and business undertaken by the company as well as for better visibility and brand building, and a fresh certificate of incorporation dated March 12, 2012, was issued by the Registrar of Companies, Maharashtra at Mumbai. Upon conversion of our Company from a private company to a public company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on October 10, 2024, the name of our Company was changed to "Rite Water Solutions (India) Limited" and a certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Central Processing Center on November 26, 2024. For further details, see "*History and Certain Corporate Matters –Brief History of our Company*" on page 248.

Registered Office: Plot No. K-60, MIDC Industrial Area Hingna Road Nagpur - 440016, Maharashtra, India;
Corporate Office: Shree Vasant Enclave, 81, P&T Colony, Cement Road, Rana Pratap Nagar, Nagpur – 440022, Maharashtra, India
Telephone: + 91 71 2222 0002; **Contact Person**: Amit Ahuja, *Company Secretary and Compliance Officer*;
E-mail: cs@ritewater.in; **Website**: www.ritewater.in; **Corporate Identity Number**: U29100MH2004PLC148812

OUR PROMOTERS: VINAYAK S. GAN AND ABHIJEET V. GAN

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH ("EQUITY SHARES") OF RITE WATER SOLUTIONS (INDIA) LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ 7,450.00 MILLION ("OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH AGGREGATING UP TO ₹ 3,000.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH ("OFFERED SHARES") AGGREGATING UP TO ₹ 4,450.00 MILLION COMPRISING UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH BY VINAYAK S. GAN AGGREGATING UP TO ₹ 850.00 MILLION, UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹2 EACH BY ABHIJEET V. GAN AGGREGATING UP TO ₹ 900.00 MILLION AND UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH BY WATER ACCESS ACCELERATION FUND S.L.P AGGREGATING UP TO ₹ 2700.00 MILLION (COLLECTIVELY, "SELLING SHAREHOLDERS" AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY, IN CONSULTATION WITH THE BRLMs, MAY CONSIDER AN ISSUE OF SPECIFIED SECURITIES AS MAY BE PERMITTED UNDER APPLICABLE LAW TO ANY PERSON(S) FOR AN AMOUNT AGGREGATING UP TO ₹ 600.00 MILLION, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO THE OFFER COMPLYING WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED ("SCRR"). THE UTILISATION OF THE PROCEEDS RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE DONE TOWARDS THE OBJECTS OF THE OFFER IN COMPLIANCE WITH APPLICABLE LAW. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20.00% OF THE FRESH ISSUE SIZE. OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 2 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS, AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

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

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"). In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("**Non-Institutional Portion**") of which one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1.00 million and undersubscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("**Retail Portion**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID *(defined hereinafter)* in case of UPI Bidders *(defined hereinafter)* in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or pursuant to the UPI Mechanism, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "*Offer Procedure*" on page 450.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 2 each. The Offer Price, Floor Price or Cap Price as (as determined by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations), and 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 Offer Price*" on page 128, 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 and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

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

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which 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. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements specifically made or confirmed by it in this Draft Red Herring Prospectus solely to the extent of information specifically pertaining to itself and the Equity Shares offered by it in the Offer for Sale and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, assume no responsibility for any other statements, including, inter alia, any and all of the statements made by or relating to our Company or its business or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

LISTING

The Equity Shares, offered through the Red Herring Prospectus, are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. 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 details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 532.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
JM FINANCIAL	AXIS CAPITAL	Bigshare Services Pvt. Ltd.
JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India **Telephone**: +91 22 6630 3030 **E-mail**: ritewater.ipo@jmfl.com **Investor grievance E-mail**: grievance.ibd@jmfl.com **Website**: www.jmfl.com **Contact person**: Prachee Dhuri **SEBI registration number**: INM000010361	**Axis Capital Limited** 1st Floor, Axis House, P.B. Marg, Worli, Mumbai-400 025, Maharashtra, India **Telephone**: +91 22 4325 2183 **Email**: ritewater.ipo@axiscap.in **Website**: www.axiscapital.co.in **Investor grievance E-mail**: complaints@axiscap.in **Contact person**: Mayuri Arya / Pratik Pednekar **SEBI registration no.**: INM000012029	**Bigshare Services Private Limited** Office No S6-2, 6th floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400093 Maharashtra, India **Telephone**: 022 6263 8200 **E-mail**: investor@bigshareonline.com **Investor grievance E-mail**: investor@bigshareonline.com **Contact person**: Vinayak Morbale **SEBI registration number**: INR000001385

BID/OFFER PERIOD

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

**Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid on the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*
***Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
 # The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.

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TABLE OF CONTENTS

SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, circular, notification, direction or policy shall be to such legislation, act, regulation, rule, guideline, circular, notification, direction or policy as amended updated, supplemented, re-enacted or modified from time to time, under such provisions. Any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Notwithstanding the foregoing, terms in "Description of Equity Shares and Terms of the Articles of Association", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "History and Certain Corporate Matters", "Basis for Offer Price", "Restriction on Foreign Ownership of Indian Securities", "Financial Information" and "Outstanding Litigation and Material Developments" on pages, 470, 142, 146, 243, 248, 128, 468, 278, and 419, respectively, will have the meaning ascribed to such terms in those respective sections.

General Terms

Term	Description
Our Company/the Company/the Issuer	Rite Water Solutions (India) Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at Plot No. K-60, MIDC Industrial Area Hingna Road, Nagpur – 440 016, Maharashtra, India
We/us/ our	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries on a consolidated basis

Company and Selling Shareholders Related Terms

Term	Description
AoA/Articles of Association or Articles	The articles of association of our Company, as amended from time to time
Audit Committee	Audit committee of our Company, constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management-Committees of our Board"* on page 263
Auditors/ Statutory Auditors	The current statutory auditors of our Company, being PKF Sridhar & Santhanam LLP, Chartered Accountants
Axis	Axis Capital Limited
Board/ Board of Directors	The board of directors of our Company, as constituted from time to time. For further information, see "*Our Management- Board of Directors*" on page 257
CCPS/Compulsorily Convertible Preference Shares	The compulsorily convertible preference shares of our Company of face value of ₹ 10 each
Chairman and Executive Director	The chairman and executive director of our Company, being Vinayak S. Gan. For further information, see "*Our Management - Board of Directors*" on page 257
Chief Executive Officer/ CEO	The chief executive officer of our Company, being Abhijeet V. Gan. For further information, see "*Our Management- Brief profiles of our Key Managerial Personnel"* on page 271
Chief Financial Officer/ CFO	The chief financial officer of our Company, being Shyam Balkrishna Bhattbhatt. For further information, see "*Our Management- Brief profiles of our Key Managerial Personnel"* on page 271
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Amit Ahuja. For further information, see "*General Information*" and "*Our Management- Brief profiles of our Key Managerial Personnel*" on pages 85 and 271 respectively
Corporate Office	The corporate office of our Company, situated at Shree Vasant Enclave, 81, P&T Colony, Cement Road, Rana Pratap Nagar, Nagpur – 440022
CSR Committee/ Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, described in "*Our Management - Committees of our Board*" on page 263
Dividend Policy	The dividend distribution policy approved and adopted by our Board on December 27, 2024
Director(s)	The director(s) on our Board. For further details, see "*Our Management – Board of Directors*" on page 257
ESOS 2024	Rite Water Solutions (India) Limited – Employee Stock Option Scheme 2024. For further details, see "*Capital Structure – Issue of equity shares under employee stock option schemes*".
Equity Shares	The equity shares of our Company of face value of ₹ 2 each

Term	Description
Executive Director(s)	Executive director(s) of our Company. For further details of the Executive Directors, see "*Our Management –Board of Directors*" on page 257
Group Company	Our group company in accordance with the SEBI ICDR Regulations and the Materiality Policy. For further details, see "*Group Company*" on page 426
Group	Our Company and our Subsidiaries
Independent Director(s)	Non-executive and independent director(s) of our Company who are eligible to be appointed as independent director(s) under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "*Our Management - Board of Directors*" on page 257
Investor Selling Shareholder	The investor selling shareholder, namely Water Access Acceleration Fund S.L.P.
Independent Chartered Accountant	V S Nasery & Co., with firm registration number 106949W
JM Financial	JM Financial Limited
KMP/ 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 further described in "*Our Management - Key Managerial Personnel and Senior Management*" on page 271
Managing Director	The managing director of our Company, namely Abhijeet V. Gan. For further information, see "*Our Management - Board of Directors*" on page 257
Material Subsidiary	The material subsidiary of our Company, in terms of the SEBI Listing Regulations as on the date of this Draft Red Herring Prospectus, namely Clintech Equipments and Solutions Private Limited, as described in "*History and Certain Corporate Matters-Our Subsidiaries"* on page 254
Materiality Policy	The policy adopted by our Board on February 10, 2025, for identification of: (a) outstanding material litigation proceedings; (b) material Group Company; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, described in "*Our Management - Committees of our Board*" on page 263
Non-Executive Nominee Director(s)	The non-executive nominee Directors on our Board, described in "*Our Management – Board of Directors*" on page 257
Non-Executive Non-Independent Director(s)	The non-executive non-independent Directors on our Board, described in "*Our Management – Board of Directors*" on page 257
Order Book	Order book comprises anticipated revenue from the unexecuted portions of existing contracts (including signed contracts for which all pre-conditions for entry into force have been met and letters of acceptance issued by the customer prior to execution of the final contract)
Practicing Company Secretary	The independent practicing company secretary appointed in relation to the Offer, namely, Yuti Nagarkar, with the membership number FCS-9317
Promoter Group	Persons and entities, excluding our Promoters constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "*Our Promoters and Promoter Group*" on page 274
Promoters	The promoters of our Company in terms of Regulation 2(1)(oo) of the SEBI ICDR Regulations namely, Vinayak S. Gan and Abhijeet V. Gan
Promoter Selling Shareholders	The promoter selling shareholders, namely Vinayak S. Gan and Abhijeet V. Gan.
Registered Office	The registered office of our Company, situated at Plot No. K-60, MIDC Industrial Area Hingna Road, Nagpur – 440 016, Maharashtra, India
Registrar of Companies/RoC	The Registrar of Companies, Maharashtra at Mumbai
Restated Consolidated Financial Statements	The restated consolidated financial statements of our Company and our Subsidiaries comprises the restated consolidated statements of assets and liabilities as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statements of cash flows and the restated consolidated statements of changes in equity for the nine-month period ended December 31, 2024, the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary of material accounting policies and other explanatory information prepared in terms of the requirements of Section 26(1) of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time
Risk Management Committee	The risk management committee of our Company, described in "*Our Management - Committees of our Board*" on page 263
SIDBI Amendment Agreement	Amendment agreement dated September 12, 2016 to the SIDBI SSHA, read with the Supplemental Agreement dated July 17, 2018, entered into between SIDBI Trustee Company Limited as the trustee of SIDBI Social Venture Trust through its scheme, Samridhi Fund, acting through its investment manager, SIDBI Venture Capital Limited, Vinayak S. Gan, Abijeet V. Gan, Vaishali Gan and our Company.
SIDBI SSHA	Subscription cum shareholders agreement dated March 14, 2014, entered into between SIDBI Trustee Company Limited as the trustee of SIDBI Social Venture Trust through its scheme, Samridhi Fund, acting through its investment manager, SIDBI Venture Capital Limited, Vinayak S. Gan, Abijeet V. Gan, Vaishali Gan and our Company, read with the amendment agreement dated September 12, 2016, and the supplemental agreement dated July 17, 2018

Term	Description
Selling Shareholder(s)	Collectively, Promoter Selling Shareholders and Investor Selling Shareholder
Senior Management Personnel/ SMP	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as further described in "*Our Management - Key Managerial Personnel and Senior Management*" on page 271
Shareholders	The holders of the Equity Shares from time to time
Stakeholders Relationship Committee	The stakeholders' relationship committee of our Company as described in "*Our Management - Committees of our Board*" on page 263
Subsidiaries	The subsidiaries, namely Clintech Equipments and Solutions Private Limited and a limited liability partnership controlled by our Company, namely Rite Water Lakecity LLP, as described in "*History and Certain Corporate Matters-Our Subsidiaries*" on page 254
Supplemental Agreement	Supplemental agreement dated July 17, 2018 to the SIDBI SSHA and read with the SIDBI Amendment Agreement, entered into between SIDBI Trustee Company Limited as the trustee of SIDBI Social Venture Trust through its scheme, Samridhi Fund, acting through its investment manager, SIDBI Venture Capital Limited, Vinayak S. Gan, Abijeet V. Gan, Vaishali Gan and our Company.
W2AF SHA	Shareholders' agreement dated August 25, 2023 entered into between Water Access Acceleration Fund S.L.P., Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and our Company read with W2AF SSA Agreement
W2AF SSA	Share subscription agreement dated August 25, 2023 entered into between Water Access Acceleration Fund S.L.P., Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and our Company read with W2AF SHA Agreement
W2AF SSA Amendment Agreement	Amendment agreement dated October 9, 2023 entered into between Water Access Acceleration Fund S.L.P., Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and our Company read with W2AF SHA Agreement read with W2AF SSA Agreement
W2AF SHA Amendment Agreement 1	Amendment agreement dated October 9, 2023 to the W2AF SHA entered into between Water Access Acceleration Fund S.L.P., Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and our Company
W2AF SHA Amendment Agreement 2	Amendment agreement dated January 27, 2025 to the W2AF SHA entered into between Water Access Acceleration Fund S.L.P., Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and our Company
W2AF SHA Amendment Agreement 3	Amendment agreement dated February 6, 2025 to the W2AF SHA entered into between Water Access Acceleration Fund S.L.P., Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and our Company
W2AF SSSHA Agreement	W2AF SHA, W2AF SSA, W2AF SSA Amendment Agreement, W2AF SHA Amendment Agreement 1, W2AF SHA Amendment Agreement 2 and W2AF SHA Amendment Agreement 3 entered into between Water Access Acceleration Fund S.L.P., Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and our Company
1Lattice	Lattice Technologies Private Limited
1Lattice Report	The report titled "*Water, Solar Pumps and IoT Industry Report*" dated February 7, 2025 prepared by Lattice Technologies Private Limited

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLMs on the Anchor Investor Bid/Offer Date
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed

Term	Description
Anchor Investor Offer 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 Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders
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 Bid	A bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASM	Additional Surveillance Measure
Axis	Axis Capital Limited
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 450
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares of face value of ₹2 each and in multiples of [●] Equity Shares of face value of ₹2 each thereafter
Bid/ Offer Period	Except in relation to Bids by Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located). In case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank

Term	Description
	Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members, which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located)
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/ BRLMs/Managers	The book running lead managers to the Offer namely, JM Financial Limited and Axis Capital Limited.
Broker Centres	Broker centres of the Registered Brokers where ASBA Bidders can submit the ASBA Forms, provided that UPI Bidders may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price
Cash Escrow and Sponsor Bank(s) Agreement	Agreement to be entered into and amongst our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Members, the Bankers to the Offer in accordance with UPI Circulars, for *inter alia*, the appointment of the Banker(s) to the Offer for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to the Bidder's beneficiary account
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI and other applicable circulars issued by SEBI as per the lists available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time
Collecting Registrar and Share Transfer Agents/ CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI as per the lists available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time
Cut-off Price	Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	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. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and updated from time to time
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated

Term	Description
	Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer
Designated Intermediary(ies)	Collectively, the Members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer. In relation to ASBA Forms submitted by RIBs Bidding in the Retail Portion by authorising 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 Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub Syndicate, Registered Brokers, CDPs and CRTAs.
Designated RTA Locations	Such centres of the RTAs where ASBA Bidders can submit the ASBA Forms (in case of UPI Bidder only ASBA Forms under UPI). The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and as updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated February 10, 2025 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer and includes any addenda or corrigenda thereto
Eligible FPI(s)	FPIs that are eligible to participate in this Offer in terms of applicable laws and 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 Share
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Escrow Account(s)	The ‘no-lien’ and ‘non-interest bearing’ account(s) opened with the Escrow Collection Bank and in whose favour the Bidders (excluding the ASBA Bidders) will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow and Sponsor Bank(s) Agreement	The agreement to be entered into amongst our Company, the Registrar to the Offer, the BRLMs, the Syndicate Members and Banker(s) to the Offer in accordance with the UPI Circulars, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable remitting refunds, if any, to Bidders, on the terms and conditions thereof
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of the Equity Shares at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fresh Issue	The fresh issue* of up to [●] Equity Shares of face value of ₹2 each by our Company, at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 3,000.00 million. For information, see “*The Offer*” on page 79. ** Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to 600.00 million, as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement,*

Term	Description
	prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document	The General Information Document for investing in public offers, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, issued by SEBI, suitably modified and updated pursuant to, among others, the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time
GSM	Graded Surveillance Measures
Gross Proceeds	The Offer proceeds from the Fresh Issue, including the proceeds, if any, received pursuant to the Pre-IPO Placement.
Monitoring Agency	Monitoring agency appointed pursuant to the Monitoring Agency Agreement, namely [●]
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion consisting of [●] Equity Shares of face value of ₹2 each which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the SEBI Mutual Funds Regulations
Net Proceeds	The proceeds of the Fresh Issue less our Company's share of the Offer related expenses. For details regarding the use of the Net Proceeds and the Offer related expenses, see "*Objects of the Offer – Utilization of Net Proceeds*" on page 116
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Investors/ NIIs	All Bidders that are not QIBs or Retail Individual Investors and who have Bid for Equity Shares for an amount more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares of face value of ₹2 each which shall be available for allocation to Non-Institutional Investors, of which (a) one-third portion shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (b) two-thirds portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price
Non-Resident/NR	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offering of up to [●] Equity Shares of face value of ₹ 2 each for cash at a price of ₹ [●] each (including a share premium of ₹ [●] each), aggregating up to ₹ 7,450.00 million by our Company comprising a Fresh Issue of [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 3,000.00 million and an Offer for Sale of up to [●] Equity Shares of face value of ₹2 each aggregating to ₹ 4,450.00 million by the Selling Shareholders.
Offer Agreement	The agreement dated February 10, 2025 amongst our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale component of the Offer of up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 4,450.00 million comprising up to [●] Equity Sharees of face value ₹2 each by Vinayak S. Gan aggregating up to ₹ 850.00 million, up to [●] Equity Shares of face value of ₹2 each by Abhijeet V. Gan aggregating up to ₹ 900.00 million and up to [●] Equity Shares of face value of ₹ 2 each by Water Access Acceleration Fund S.L.P aggregating up to ₹ 2,700.00 million
Offer Price	₹ [●] per Equity Share, being the final price within the Price Band, at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors as determined in accordance with the Book Building Process and determined by our Company, in consultation with the Book Running Lead Managers, in terms of the Red Herring Prospectus on the Pricing Date. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus The Offer Price will be determined in compliance with the SEBI ICDR Regulations on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus
Offered Shares	Up to [●] Equity Shares of face value of ₹2 each aggregating to ₹ 4,450.00 million being offered for sale by the Selling Shareholders in the Offer for Sale component of the Offer
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholder. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 116
Pre-IPO Placement	A further issue of specified securities as may be permitted in accordance with applicable law, aggregating up to ₹ 600.00 million, which may be undertaken by our Company, at its discretion in consultation with the BRLMs, prior to the filing of the Red Herring Prospectus with the RoC

Term	Description
Promoter's Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of eighteen months from the date of Allotment
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is situated) at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company, in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account Bank(s)	The banks with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
QIB Category/ QIB Portion	The category of the Offer (including the Anchor Investor Portion), being not more than 50% of the Offer, consisting of [●] Equity Shares of face value of ₹2 each aggregating to ₹ [●] million, which shall be available for allocation to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price or the Anchor Investor Offer Price (for Anchor Investors)
Qualified Institutional Buyer(s)/ QIB(s)/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus/ RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto The Bid/Offer Opening Date shall be at least three Working Days after the filing of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer which are a clearing member registered with SEBI under the SEBI BTI Regulations with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, and the UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated February 10, 2025 between our Company and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer/ Registrar	Bigshare Services Private Limited
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investors(s)/ RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 0.20 million in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares of face value of ₹2 each, available for allocation to Retail Individual Investors as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIB Bidders and Non-Institutional Investors 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

Term	Description
	Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
SEBI ICDR Master Circular	SEBI ICDR Master Circular - SEBI master circular bearing reference SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, as amended
SCORES	SEBI Complaints Redressal Mechanism
Self-Certified Syndicate Bank(s)/ SCSB(s)	(i) The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Share Escrow Agent	The share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	The agreement to be entered into between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the respective portion of Equity Shares being offered by each Selling Shareholder in the Offer for Sale portion of the Offer and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which will be included in the Bid cum Application Form
Sponsor Bank(s)	The Bankers to the Offer registered with SEBI, which have been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the UPI Bidders using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
STT	Securities transaction tax
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate Agreement	Agreement to be entered into among our Company, the BRLMs and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries (other than the BRLMs) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, [●]
Syndicate/Members of the Syndicate	Together, the BRLMs and the Syndicate Members
Systemically Important Non-Banking Financial Company/ NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters and our Company to be entered into on or after the Pricing Date, but prior to filing of the Prospectus with the RoC as applicable. For further details, see "*General Information – Underwriting Agreement*" on page 91
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidder(s)	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, and individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹ 0.50 million in the Non-Institutional Portion Pursuant to the SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI RTA Master Circular (to the extent it pertains to UPI), along with the circulars issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, SEBI ICDR Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidders, by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders using the UPI Mechanism initiated by the Sponsor Banks to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI linked mobile application, and the subsequent debit of funds in case of Allotment.

Term	Description
	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, and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 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 Bidding mechanism that may be used by UPI Bidders to make Bids in the Offer in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Maharashtra, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Maharashtra, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI, including UPI Circulars

Conventional and General Terms and Abbreviations

Term	Description
A/c	Account
AGM	Annual general meeting
AIF	Alternate Investment Fund
BSE	BSE Limited
CAGR	Compound annual growth rate
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 III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
Category I FPIs	FPIs registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations.
Category II FPIs	FPIs registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations.
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
CCI	Competition Commission of India
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time
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
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996 read with the rules and regulations thereunder
Depository or Depositories	NSDL and/or CDSL
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
DPDP Act	Digital Personal Data Protection Act, 2023
EGM	Extraordinary general meeting
ESIC	Employees State Insurance Corporation
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FI	Financial institutions

Term	Description
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000) registered with SEBI
GoI / Central Government	Government of India
GST	Goods and services tax
HUF	Hindu undivided family
I.T. Act	Income - tax Act, 1961
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India, being, accounting principles generally accepted in India including the accounting standards specified under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2021, as amended
IPO	Initial public offer
IT	Information technology
IT Act	Information Technology Act, 2000
KPIs	Key Performance Indicators
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MOU	Memorandum of understanding
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NEFT	National electronic fund transfer
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National Payments Corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of 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 had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PF	Provident fund
PT	Professional tax
R&D	Research and development
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on net worth
Rs. / Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

Term	Description
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Funds Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI RTA Master Circular	SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a state of India
TCS	Tax collected at source
TDS	Tax deducted at source
U. S. Securities Act	United States Securities Act of 1933, as amended
US GAAP	Generally Accepted Accounting Principles in the United States of America
USA/ U.S. / US	The United States of America
USD / U.S.$	United States Dollars
VAT	Value added tax
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations (*now repealed*) or the SEBI AIF Regulations, as the case may be

Technical and Industry Related Terms

Term	Description
AC DC	Alternate Current Direct Current
AI	Artificial Intelligence
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
ASEAN	Association of Southeast Asian Nations
ASSOCHAM	Associated Chambers of Commerce and Industry of India
ATM(s)	Automated teller machine(s)
B2B	Business-to-business
B2C	Business-to-consumer
BFSI	Banking Financial Services and Insurance
BOD	Biological Oxygen Demand
BOO	Build-Own-Operate
BREDA	Bihar Renewable Energy Development Agency
BWUE	Bureau of Water Use Efficiency
Cash Conversion Cycle	Cash conversion cycle is calculated as inventory days plus trade receivable days minus trade payable days. Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days. Trade receivable days are calculated as trade receivables divided by Revenue from operations multiplied by 365 days. Trade payable days are calculated as trade payable divided by Revenue from operations multiplied by 365 days
Cashflow from Operations	Net cash generated from operating activities for the year/ period as per the Restated Consolidated Financial Statements for the relevant periods / year.
CETPs	Common Effluent Treatment Plants
CGWB	Central Ground Water Board
COD	Chemical Oxygen Demand
CPCB	Central Pollution Control Board
CPI	Consumer Price Index
CSIR	Council of Scientific and Industrial Research
CSIR-CSMCRI	Council of Scientific and Industrial Research – Central Salt & Marine Chemicals Research Institute
CWPP	Community water purification plants
Debt to equity ratio	Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities
DISCOMs	Distribution companies
DPIIT	Department for Promotion of Industry and Internal Trade
EBIT	EBIT is calculated as EBITDA minus depreciation and amortization
EBITDA	EBITDA is calculated as profit before exceptional items and tax minus other income (including share of profit of associate) plus finance costs, depreciation and amortisation
EBITDA Margin (%)	EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations
EC	Electro-chlorinators
EDF	Electrolytic de-fluoridation
EMS	Environmental Management System
EPC	Engineering, procurement, and commissioning

Term	Description
ERP	Enterprise resource planning ERP
ESG	Environmental, social, and governance
ETF	Enhanced transparency framework
Fe/Zr	Iron/zirconium
FHTC	Functional Household Tap Connections
FiT	Feed-in-Tariff
FPOs	Farmer Producer Organizations
FRP tanks	Fiberglass reinforced plastics
GeM	Government e-Marketplace
GHG	Greenhouse gases
GoMH	Government of Maharashtra
GSM	Graded Surveillance Measure
GWM & R	Ground Water Management and Regulation
H2	Hydrogen
H2O	Water
HAIX	Hybrid anion exchange
HAREDA	Haryana Renewable Energy Development Agency
HP	Horsepower
IIP	India's Industrial Production
Inventory Days	Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days.
IOT	Internet of Things
IRENA	International Renewable Energy Agency
ISO	International Organisation for Standardisation
Jal Jeevan/ JJM	Jal Jeevan Mission
JREDA	Jharkhand Renewable Energy Development Agency
KBL	Kirloskar Brothers Limited
KSPCB	Karnataka State Pollution Control Board
LOE	Letter of Empanelment or LOE is a letter given to empanel an agency or a vendor to carry out certain task
MBRs	Membrane bioreactors
MEDA	Maharashtra Energy Development Agency
MeitY	Ministry of Electronics and Information Technology
ML	Machine learning
MLD	Million of litre per day
MNRE	Ministry of New and Renewable Energy
MoSPI	Ministry of Statistics and Programme Implementation
MSEDCL	Maharashtra State Electricity Distribution Company Limited
MSKVY	Mukhyamantri Saur Krushi Vahini Yojana
MWp	Megawatt peak
NaCl	Sodium Chloride
NaOCl	Sodium Hypochlorite
NAQUIM	National Aquifer Mapping and Management
NDCs	Nationally Determined Contributions
NeGPA	National e-Governance Plan in Agriculture
Net Debt to EBITDA Ratio	Net Debt to EBITDA is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings minus total of cash and cash equivalents, bank balances other than cash and cash equivalents and current investments
NF	Nanofiltration
NFSRT	National Framework on the Safe Reuse of Treated Water
NGEL	NTPC Green Energy Ltd
NMCG	National Mission for Clean Ganga
NSSO	National Sample Survey Office
NUSP	National Urban Sanitation Policy
O&M period	Operations and Maintenance period
OEM	Original equipment manufacturers
OHSMS	Occupational Health and Safety Management System
OREDA	Odisha Renewable Energy Development Agency
PAT	PAT means profit for the year/ period as appearing in the Restated Consolidated Financial Statements for the relevant periods / year
PAT Margin (%)	PAT Margin (%) is calculated as Profit for the year/ period as a percentage of Revenue from Operations
PCDs	Pollution control devices
PEDA	Punjab Energy Development Agency
PHED	Public Health Engineering Department
PIB	Press Information Bureau

Term	Description
PLFS	Periodic Labour Force Survey
PLI	Production Linked Incentive Scheme
PM Kusum Scheme	Pradhan Mantri Kisan Urja Suraksha Evam Utthan Mahabhiyan
PM SVANidhi	PM Street Vendor's AtmaNirbhar Nidhi
PMKSY	Pradhan Mantri Krishi Sinchayee Yojana
PMKSY-HKKP	Pradhan Mantri Krishi Sinchayee Yojana – Har Khet Ko Pani
PPPs	Public-private partnerships
PSTPs	Package Sewage Treatment Plants
PV	Photovoltaic
PVC	Polyvinyl Chloride
R&D	Research and Development
RDSS	Revamped Distribution Sector Scheme
REPP	Renewable energy-based power plants
Return on Capital Employed	Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of Total Equity and Total Borrowings. EBIT is calculated as EBITDA minus depreciation and amortization
Return on Equity	Return on Equity is calculated as profit for the year/ period divided by total equity
Revenue Growth (%)	Revenue growth (%) is calculated as a percentage of Revenue from Operations of the relevant year/ period minus Revenue from Operations of the preceding year/ period, divided by Revenue from Operations of the preceding year/ period
Revenue from Operations	Revenue from Operations is as per the Restated Consolidated Financial Statements for the relevant periods / year
RO	Reverse Osmosis
ROCE	Return on Capital Employed
SBM	Swachh Bharat Mission
SBM-G	Swachh Bharat Mission-Grameen
SDGs	Sustainable Development Goals
SECL	Solar Energy Corporation Ltd.
SIDBI	Small Industries Development Bank of India
SMPS	Switched-mode power supply
SPCBs	State pollution control boards
STPs	Sewage Treatment Plants
SWSM	State Water and Sanitation Mission
TDS	Total dissolved solids
Total Borrowings	Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities
Trade Receivable Days	Trade receivable days are calculated as trade receivables divided by Revenue from operations multiplied by 365 days.
TSS	Total suspended solids
TWW	Treated Wastewater
UF	Ultrafiltration
UNFCCC	United Nations Framework Convention on Climate Change
UP Jal Nigam	Uttar Pradesh Jal Nigam
W2AF	Water Access Acceleration Fund
WHO	World Health Organization
ZLD	Zero liquid discharge

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

Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

All references herein to the "US", "USA", the "U.S." or the "United States" are to the United States of America and its territories and possessions; and

Unless otherwise specified, all references time in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

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

Financial Data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year and accordingly, all references to a particular financial year or Fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year. Certain other financial information pertaining to our Subsidiaries and Group Company are derived from their respective audited financial statements.

Unless indicated otherwise or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus have been derived from the Restated Consolidated Financial Statements. For further information, see "*Restated Consolidated Financial Statements*" on page 278.

The restated consolidated financial statements of our Company and our Subsidiaries comprises the restated consolidated statements of assets and liabilities as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statements of cash flows and the restated consolidated statements of changes in equity for the nine-month period ended December 31, 2024, the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary of material accounting policies and other explanatory information prepared in terms of the requirements of Section 26(1) of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time and included in the section titled "*Restated Consolidated Financial Statements*" on page 278.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, see "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition*" on page 74. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Prospective investors should review the accounting policies applied in the preparation of the Restated Consolidated Financial Statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

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, discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off.

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, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 209 and 378, respectively, and elsewhere in this Draft Red Herring Prospectus, unless otherwise stated or context requires otherwise, have been derived from Restated Consolidated Financial Statements or non-GAAP financial measures as described below.

However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row; any such discrepancies are due to rounding off.

All figures in diagrams and charts, including those relating to financial information, operational metrics and key performance indicators, have been rounded to the nearest decimal place, whole number, thousand or million, as applicable.

Non-GAAP Financial Measures

Certain measures included in this Draft Red Herring Prospectus, for instance PAT Margin, Return on Equity, Return on Capital Employed, Net Debt to EBITDA Ratio, EBITDA, EBITDA Margin, Net Asset Value and Return on Net Worth (the **"Non-GAAP Measures''**), presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with Ind AS, IFRS or US GAAP. Furthermore, these Non-GAAP Measures, are not a measurement of our financial performance or liquidity under Indian GAAP, IFRS or US GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or US GAAP or as an alternative to cash flows from operations or as a measure of our liquidity. Further, these Non-GAAP Measures and other statistical and other information relating to operations and financial performance should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures and other statistical and other information relating to operations and financial performance, are not standardised terms and 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. Further, they may have limited utility as a comparative measure. Although such Non-GAAP financial measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 378.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus, including in "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 146, 209 and 378, respectively, has been obtained or derived from the report titled "*Water, Solar Pumps and IoT Industry Report*" dated February 7, 2025 ("**1Lattice Report**"), prepared by Lattice Technologies Private Limited, which has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and commissioned and paid for by our Company, pursuant to the engagement letter dated August 28, 2024. The 1Lattice Report is available on the website of our Company at the following web-link: www.ritewater.in/investor-relations/IPO, until the Bid / Offer Closing Date. Unless otherwise indicated, all financial, operational, industry and other related information derived from the 1Lattice Report and included in this Draft Red Herring Prospectus with respect to any particular year, refers to such information for the relevant calendar year. Lattice Technologies Private Limited is an independent agency which has no relationship with our Company, our Promoters, any of our Directors, Key Managerial Personnel, Senior Management Personnel or the Book Running Lead Managers.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness relevance of such information shall be subject to the disclaimers, context and underlying assumptions of such sources. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. The excerpts of the Industry Report are disclosed in this Draft Red Herring Prospectus and there are no parts, information, data (which may be relevant for the proposed Offer), left out or changed in any manner. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful and depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies, and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *"Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the 1Lattice Report which has been prepared exclusively for the Offer and commissioned by our Company and paid for by our Company* *exclusively in connection with the Offer, and any reliance on such information for making an investment decision in the Offer is subject to inherent risks"* on page 70. Accordingly, no investment decision should be solely made on the basis of such information.

In accordance with the disclosure requirements under the SEBI ICDR Regulations, *"Basis for Offer Price"* on page 128 includes information relating to our peer group companies. Such information has been derived from publicly available sources specified therein.

Currency and Units of Presentation

All references to:

- "Rupees" or "INR" or "₹" or "Rs." are to Indian Rupees, the official currency of the Republic of India;

- "U.S $", "U.S. Dollar", "USD" are to United States Dollars, the official currency of the United States of America; and

All the figures in this Draft Red Herring Prospectus, except for figures derived from the 1Lattice Report (which are in million or billion), have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal. 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 figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this 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 may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the ₹ and certain currencies:

(in ₹)

Currency	As at			
	December 31, 2024	March 31, 2024*	March 31, 2023	March 31, 2022
1 USD	85.62	83.37	82.22	75.81

Source: FBIL Reference Rate as available on www.fbil.org.in.

* *Exchange rate is rounded off to two decimal point and in case March 31 of any of the respective years or December 31, 2024, is a public holiday, the previous Working Day not being a public holiday has been considered*

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", "project" , "should" "will" , "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. For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

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. As a result, actual results could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. All forward-looking statements are subject to risks, uncertainties, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater and our ability to respond to them, our ability to successfully implement our strategies, 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 or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

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

1. We derive a significant portion of our revenue from operations i.e. 96.02%, 83.76%, 98.73% and 77.74% in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively from contracts awarded by government entities under various government sponsored schemes through a bidding process. Any change in the Government policies, schemes, political instability or focus and/or any inability to procure such contracts in the future, would adversely affect our business, financial conditions and result of operations;

2. Our projects are awarded primarily through competitive bidding process. We may not be able to qualify for, compete and win projects or identify new projects, or lose contracts on account of lack of government support or incorrect cost estimation which could adversely affect our business and results of operations;

3. We have experienced significant growth in our PAT by 96.95% from Fiscal 2023 to 2024 and 188.43% from Fiscal 2022 to 2023. However, our growth in the past may not be indicative of our future financial performance. Failure to effectively manage our growth could materially and adversely affect the success of our business and/or impact our margins;

4. Our business is dependent on the performance of the water solutions, solar agriculture, and IoT sectors. Any adverse changes in the conditions affecting such sectors may adversely impact our business, results of operations, financial condition and cash flows;

5. 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. The projects that are included in our Order Book may be delayed, modified, cancelled not fully paid, or suspended by our customers and, therefore our Order Book is not necessarily indicative of our future revenue or profit. Any inability to realise the value of our projects could have a material adverse effect on our business, results of operation and financial condition;

6. A substantial portion of our revenues is dependent on our top five customers. As of the nine-month period ended December 31, 2024 and Fiscals 2024, 2023 and 2022, we derived 92.75%, 87.47%, 81.12% and 60.16%, respectively, of our revenue from our top five customers. The loss of any of these customers, will materially and adversely affect our revenues and profitability;

7. Our business is dependent on suppliers to procure our raw materials, packing materials, tools and equipment along with purchase of services such as sub-contracting, contract labourers, civil construction contractors for our water treatment plants, etc. As of the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022, our top five suppliers

contributed to 46.06%, 55.36%, 24.36%, and 30.14% of the cost of total material and services purchased, respectively. Interruptions in the supply of raw materials and services could adversely affect our ability to manufacture our products, execute our projects and consequently our business and results;

8. We have made a trademark application for our logo on November 29, 2024, and our inability to procure registration of the same or to protect any of our intellectual property rights including misappropriation, infringement or passing off of our intellectual property, could have an adverse impact on our business;

9. We have experienced negative cash flows from operating, investing and financing activities in the past and may experience earnings decline or losses or negative cash flows from operating, investing and financing activities in the future; and

10. We may face risk of debarment / blacklisting and seizure of guarantees on account of non-performance of contractual obligations in future, which if determined, may adversely affect our business, operations, reputation and future cashflows.

For a further discussion of factors that could cause our actual results to differ from the expectations, see "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 146, 209, and 378, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially be different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, our KMPs, Senior Management Personnel, the Selling Shareholders, nor the Syndicate or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permissions by the Stock Exchanges.

In accordance with the requirements of the SEBI ICDR Regulations, our Company shall ensure that Bidders in India are informed of material developments, until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity Shares pursuant to the Offer. In accordance with the requirements of the SEBI ICDR Regulations, each of the Selling Shareholders shall, severally and not jointly, ensure that our Company and BRLMs are informed of material developments in relation to the statements and undertakings specifically made or undertaken or confirmed by such Selling Shareholder in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares in the Red Herring Prospectus until the receipt of final listing and trading approvals for the Equity Shares pursuant to the Offer. Only statements and undertakings which are specifically confirmed or undertaken by each of the Selling Shareholders to the extent of information pertaining to it and/or its respective portion of the Offered Shares, as the case may be, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures and terms of the Offer included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures and terms of the Offer 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 "Risk Factors", "Our Promoters and Promoter Group", "Our Business", "Industry Overview", "Capital Structure", "The Offer", "Restated Consolidated Financial Statements", "Objects of the Offer", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Outstanding Litigation and Material Developments", "Offer Procedure" and "Description of Equity Shares and Terms of the Articles of Association" on pages 29, 274, 209, 146, 93, 79, 278, 116, 378, 419, 450, and 470, respectively of this Draft Red Herring Prospectus.

Summary of the primary business of our Company

Since our incorporation in 2004, we have grown from a water solutions provider to a Clean-tech player, offering solutions in water treatment, solar agriculture, and IoT for rural sustainability. Our services include water purification, solar irrigation, cold storage, and digital monitoring, along with operation and maintenance for projects across these three verticals. We are the second fastest-growing company in the water sector in terms of revenue between Fiscal 2022 and Fiscal 2024, among the largest listed water sector companies standing out with a strong EBITDA margin, improving from 11.32% in Fiscal 2022 to 34.77% in Fiscal 2024, reflecting operational efficiency and growth trajectory *(Source: 1Lattice Report)*. For details, see *"Our Business"* on page 209.

Summary of the industry in which our Company operates

The Indian addressable (i) water and wastewater treatment solutions market, valued at US$ 7.3 billion in Fiscal 2024, is projected to reach US$ 14.4 billion by Fiscal 30; (ii) solar pump market was valued at US$ 0.6 billion in Fiscal 2024 and is expected to grow at a CAGR of 32.1% between Fiscal 2024 to Fiscal 2030; and (iii) IoT market has demonstrated significant growth, as indicated by a CAGR of 24.1% from Fiscal 2019 to Fiscal 2024. *(Source: 1Lattice Report)* For details, see *"Industry Overview"* on page 146.

Our Promoters

Vinayak S. Gan and Abhijeet V. Gan are our Promoters.

For further information, see "*Our Promoters and Promoter Group*" on page 274.

The Offer

The Offer comprises a Fresh Issue and an Offer for Sale. The following table summarizes the details of the Offer:

Offer(1)	Up to [●] Equity Shares of face value of ₹2 each for cash at price of ₹[●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to ₹ 7,450.00 million
Of which	
Fresh Issue(1)^	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 3,000.00 million
Offer for Sale(2)(3)	Up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 4,450.00 million

(1) The Offer has been authorized pursuant to the resolution passed by our Board dated December 27, 2024 and the Fresh Issue has been authorized by our Shareholders by a special resolution dated January 6, 2025. Further, each of the Selling Shareholders have consented to participate in the Offer for Sale pursuant to their consent letters each dated February 10, 2025 and our Board has taken on record the consent for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated February 10, 2025.

(2) Each of the Selling Shareholders, severally and not jointly, confirms that its portion of the Offered Shares are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. Each Selling Shareholder has, severally and not jointly, consented to the sale of its portion of the Offered Shares in the Offer for Sale. For further details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 428.

(3) Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see *"Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters – Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

^ *Our Company, in consultation with the BRLMs, may consider an issue of specified securities as may be permitted under the applicable law to any person(s), aggregating up to ₹ 600.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the Fresh Issue size. Our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in* *relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

The Offer shall constitute [●]% of the post-Offer paid-up equity share capital of our Company. For further details, see "*The Offer*" and "*Offer Structure*" on pages 79 and 447, respectively.

Objects of the Offer

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

Sr. No.	Particulars	Estimated Amount*^ (₹ in million)
1.	Funding working capital requirements of our Company	2,252.12**
2.	General corporate purposes	[●]
	Net Proceeds*	[●]

* *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC*

^ *This includes the proceeds, if any, received pursuant to the Pre-IPO Placement aggregating up to ₹ 600.00 million. Details of the Pre-IPO Placement, if undertaken, will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended and shall be included in the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

** *Subject to full subscription of the Fresh Issue.*

For further information, see "*Objects of the Offer*" on page 116.

Aggregate pre-Offer and post-Offer shareholding of our Promoters, the members of our Promoter Group and the Selling Shareholders

The aggregate pre-Offer shareholding of our Promoters, the members of our Promoter Group and the Selling Shareholders as on the date of this Draft Red Herring Prospectus is set out below:

S. No.	Name of the Selling Shareholders	Pre-Offer equity share capital				Post-Offer equity share capital[#]
		No. of Equity Shares of face value of ₹2 each held as on the date of this Draft Red Herring Prospectus	% of paid-up Equity Share capital (%)	No. of Equity Shares of face value of ₹2 each held as on the date of this Draft Red Herring Prospectus (on a fully diluted basis) [##]	% of the pre-Offer Equity Share capital on a fully diluted basis[##] (%)	% of post-Offer paid-up Equity Share capital (%)
1.	Vinayak S. Gan^	34,951,200	48.85	34,951,200	40.94	[●]
2.	Abhijeet V. Gan^	22,381,050	31.28	22,381,050	26.22	[●]
3.	Water Access Acceleration Fund S.L.P.**	-	-	13,815,930	16.18	[●]
Total		**57,332,250**	**80.13**	**71,148,180**	**83.34**	[●]

^ *Also promoter of our Company.*

** *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters – Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

To be updated in the Prospectus. Subject to the finalisation of Basis of Allotment.

Assuming conversion of outstanding CCPS into a maximum of 13,815,930 Equity Shares of face value of ₹2 each.

For further information, see *"Capital Structure"* beginning on page 93.

Summary of the Restated Consolidated Financial Statements

The details of certain financial information as set out under the SEBI ICDR Regulations for the nine-month period ended December 31, 2024 and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022, as derived from the Restated Consolidated Financial Statements are set forth below:

(₹ in million, except per share data)

Particulars	For the nine-month period ended December 31, 2024	As at and for the Fiscal ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Equity share capital	143.09	23.85	28.11	26.05
Instruments entirely equity in nature	4.61	4.61	-	20.00
Other equity	2,909.37	2,313.54	903.60	635.80
Total equity	3,057.07	2,342.00	931.71	681.85
Net worth(1)	3,057.07	2,342.00	931.71	681.85
Revenue from operations	3,056.79	2,027.49	1,194.34	768.14
Restated profit for the year/ period	715.06	492.80	250.21	86.75
Earnings per Equity Share (of face value of ₹ 2 each)				
- Basic(in ₹/share) (2)(4)	9.99	7.43	2.97	1.03
- Diluted(in ₹/share) (3)(4)	8.38	6.86	2.97	1.03
Net Asset Value per Equity Share(5)(4)	42.73	35.31^	11.05^	8.09^
Total borrowings(6)	459.29	186.46	43.46	167.62

* *Not annualised.*

^ *Our company has sub-divided each of its equity shares bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and carried a bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of net asset value per equity share as per the requirement / principles of Ind AS 33, as applicable.*

Notes:

(1) *Net worth has been defined as the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Statements, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended.*

(2) *Earnings per Equity Share (Basic) = Restated profit attributable to Shareholders of our Company for the year divided by weighted average number of Equity Shares outstanding during the year computed in accordance with Ind AS 33.*

(3) *Earnings per Equity Share (Diluted) = Restated profit attributed to Shareholders of our Company divided by weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares computed in accordance with Ind AS 33.*

(4) *Our company has sub-divided each of its equity shares bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and carried a bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of earnings per share and net asset value per equity share as per the requirement / principles of Ind AS 33, as applicable.*

(5) *Net Asset Value per share is calculated as total net worth divided by the weighted average number of Equity Shares outstanding at the end of the year. Weighted average number of shares do not take into account conversion of CCPS into a maximum of 13,815,930 Equity Shares of face value of ₹2 each.*

(6) *Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities.*

For further details, see "*Restated Consolidated Financial Statements*" on page 278.

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

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

Summary of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, our Directors, our Promoters and our Group Company in accordance with the SEBI ICDR Regulations and the Materiality Policy as on the date of this Draft Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Material Developments*" on page 419 in terms of the SEBI ICDR Regulations, is provided below:

Name of entity	Number of criminal proceedings	Number of tax proceedings	Number of actions taken by Statutory or regulatory proceedings	Disciplinary actions by the SEBI or stock exchanges against our Promoters in the last five years, including outstanding action	Number of other material civil proceedings	Aggregate amount involved* (₹ in million)
Company**						
By our Company	3	Nil	Nil	N.A.	1	23.83

Name of entity	Number of criminal proceedings	Number of tax proceedings	Number of actions taken by Statutory or regulatory proceedings	Disciplinary actions by the SEBI or stock exchanges against our Promoters in the last five years, including outstanding action	Number of other material civil proceedings	Aggregate amount involved* (₹ in million)
Against our Company	Nil	9	Nil		Nil	30.97#
Directors						
By our Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against our Directors	Nil	Nil	Nil		Nil	Nil
Promoters**						
By our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoters	Nil	Nil	Nil		Nil	Nil
Subsidiaries**						
By our Subsidiaries	Nil	Nil	Nil	N.A.	Nil	Nil
Against our Subsidiaries	Nil	Nil	Nil		Nil	Nil

* *To the extent quantifiable.*

** *Does not include matters where our Company, our Subsidiaries or our Promoters have not received notice, summons or other documents*

\# *Excluding additional interest from the date of demand*

As on the date of this Draft Red Herring Prospectus, there is no outstanding litigation involving our Group Company which may have a material impact on our Company.

For further details of the outstanding litigation proceedings involving our Company, see "*Outstanding Litigation and Material Developments*" on page 419.

Risk Factors

Specific attention of Bidders is invited to the section "*Risk Factors*" on page 29. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. Set forth below is the summary of our top 10 risk factors:

Sr. No	Description of Risk
1.	We derive a significant portion of our revenue from operations i.e. 96.02%, 83.76%, 98.73% and 77.74% in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively from contracts awarded by government entities under various government sponsored schemes through a bidding process. Any change in the Government policies, schemes, political instability or focus and/or any inability to procure such contracts in the future, would adversely affect our business, financial conditions and result of operations;
2.	Our projects are awarded primarily through competitive bidding process. We may not be able to qualify for, compete and win projects or identify new projects, or lose contracts on account of lack of government support or incorrect cost estimation which could adversely affect our business and results of operations;
3.	We have experienced significant growth in our PAT by 96.95% from Fiscal 2023 to 2024 and 188.43% from Fiscal 2022 to 2023. However, our growth in the past may not be indicative of our future financial performance. Failure to effectively manage our growth could materially and adversely affect the success of our business and/or impact our margins;
4.	Our business is dependent on the performance of the water solutions, solar agriculture, and IoT sectors. Any adverse changes in the conditions affecting such sectors may adversely impact our business, results of operations, financial condition and cash flows;
5.	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. The projects that are included in our Order Book may be delayed, modified, cancelled not fully paid, or suspended by our customers and, therefore our Order Book is not necessarily indicative of our future revenue or profit. Any inability to realise the value of our projects could have a material adverse effect on our business, results of operation and financial condition;
6.	A substantial portion of our revenues is dependent on our top five customers. As of the nine-month period ended December 31, 2024 and Fiscals 2024, 2023 and 2022, we derived 92.75%, 87.47%, 81.12% and 60.16%, respectively, of our revenue from our top five customers. The loss of any of these customers, will materially and adversely affect our revenues and profitability;
7.	Our business is dependent on suppliers to procure our raw materials, packing materials, tools and equipment along with purchase of services such as sub-contracting, contract labourers, civil construction contractors for our water treatment plants, etc. As of the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022, our top five suppliers contributed to 46.06%, 55.36%, 24.36%, and 30.14% of the cost of total expenses purchased, respectively. Interruptions in the supply of raw materials and services could adversely affect our ability to manufacture our products, execute our projects and consequently our business and results;
8.	We have made a trademark application for our logo rite water राइट वॉटर on November 29, 2024, and our inability to procure registration of the same or to protect any of our intellectual property rights including misappropriation, infringement or passing off of our intellectual property, could have an adverse impact on our business;
9.	We have experienced negative cash flows from operating, investing and financing activities in the past and may experience earnings decline or losses or negative cash flows from operating, investing and financing activities in the future; and

Sr. No	Description of Risk
10.	We may face risk of debarment / blacklisting and seizure of guarantees on account of non-performance of contractual obligations in future, which if determined, may adversely affect our business, operations, reputation and future cashflows.

For further information, see *"Risk Factors"* beginning on page 29.

Summary of contingent liabilities

The following is a summary table of our contingent liabilities as at December 31, 2024, as indicated in the Restated Consolidated Financial Statements:

(₹ in million)

Particulars	Amount as at December 31, 2024
Aggregate value of bank guarantees outstanding	326.88
GST demands	27.89
Income tax demands (excluding additional interest from the date of demand)	3.08

For details, see "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 31*" on page 352.

Summary of related party transactions

The summary of related party transactions (post inter-party eliminations), as per the requirements under Ind AS 24 – Related Party Disclosures, entered into by us for the nine-month period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, as derived from the Restated Consolidated Financial Statements are as set out in the table below:

(in ₹ million)

Sr. No.	Name of the related party	Nature of relation	Nature of transactions	For the nine-month period ended December 31, 2024	For the Fiscal ended		
					March 31, 2024	March 31, 2023	March 31, 2022
1.	Nagpur Chemicals	Proprietorship of Director	Purchase of goods	Nil	23.62	22.67	Nil
2.	Nagpur Chemicals	Proprietorship of Director	Expenditure paid on their behalf	6.80	Nil	Nil	Nil
3.	Vinayak S. Gan	Director and Shareholder with significant influence	Salary - expenses (including bonus)	16.80	22.40	22.40	5.90
4.	Vinayak S. Gan	Director and Shareholder with significant influence	Loan Taken	Nil	3.80	0.72	Nil
5.	Vinayak S. Gan	Director and Shareholder with significant influence	Loan Repayment	Nil	(3.80)	(0.72)	Nil
6.	Vinayak S. Gan	Director and Shareholder with significant influence	Sale of investment	0.02	Nil	Nil	Nil
7.	Abhijeet V. Gan	Director and Shareholder with significant influence	Salary - expenses (including bonus)	16.80	22.40	22.40	5.90
8.	Abhijeet V. Gan	Director and Shareholder with significant influence	Sale of investment	0.02	Nil	Nil	Nil
9.	Nikhil Gan	Relative of Director	Salary – expenses	Nil	Nil	Nil	0.66
10.	Radhika Dorle	Relative of Director	Salary – expenses	2.15	1.55	1.20	1.20
11.	Garden Enterprise	Proprietorship of Director	Rent Expense	1.92	1.80	Nil	Nil

For details of the related party transactions (whether eliminated on consolidation or not) of our Company, as per the requirements under Ind AS 24 '*Related Party Disclosures'* read with the SEBI ICDR Regulation for the nine-month period ended December 31, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, see *"Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 28"* on page 346.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives (as defined under Companies Act, 2013) have financed the purchase by any other person of securities of our Company (other than in the normal course of the business of the financing entity) during 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 our Promoters and the Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, no Equity Shares have been acquired by our Promoters and the Selling Shareholders in the last one year immediately preceding the date of this Draft Red Herring Prospectus.

Name	Nature of specified security	Face Value	Number of securities acquired	Weighted average price of acquisition per specified security
Vinayak S. Gan	Equity Shares	2	29,126,000	Nil#
Abhijeet V. Gan	Equity Shares	2	18,650,875	Nil#

\# *The weighted average price of acquisition of equity shares is Nil as the equity shares were acquired pursuant to a bonus issue.*

* *As certified by PKF Sridhar & Santhanam LLP, with firm registration number 003990S/S200018, pursuant to their certificate dated February 10, 2025.*

Our Promoter and Selling Shareholders have not acquired any CCPS of our Company, in the last one year preceding the date of this Draft Red Herring Prospectus.

Average cost of acquisition of specified securities of our Promoters and the Selling Shareholders

The average cost of acquisition of specified securities for our Promoters and the Selling Shareholders as on the date of this Draft Red Herring Prospectus, is as follows:

Name of Promoters/ Selling Shareholder	Number of Equity Shares held on fully diluted basis *	Average cost of acquisition per Equity Share on a fully diluted basis *# (in ₹)
Promoters		
Vinayak S. Gan	3,49,51,200	0.07
Abhijeet V. Gan	2,23,81,050	0.14
Selling Shareholders		
Water Access Acceleration Fund S.L.P. **	1,38,15,930	48.17

^ *Also promoter of our Company.*

* *The number of Equity Share and cost of acquisition per Equity Share have been adjusted to give effect to the sub-division of each equity share of the Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of the Board dated October 8, 2024 and a resolution of the shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024.*

** *The above workings are assuming conversion of all outstanding CCPS. As on the date of this Draft Red Herring Prospectus, Water Access Acceleration Fund S.L.P does not hold any Equity Shares. Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024 For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters – Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

\# *As certified by PKF Sridhar & Santhanam LLP, with firm registration number 003990S/S200018, pursuant to their certificate dated February 10, 2025.*

Weighted average cost of all shares transacted in the three years, 18 months and one year preceding the date of this Draft Red Herring Prospectus

Period	Weighted average cost of acquisition per Equity Share (in ₹)(1)(2)(3)	Cap Price is 'x' times the weighted average cost of acquisition*	Range of acquisition price per Equity Share: lowest price –highest price (in ₹)(1)(2)(3)
Last one year preceding the date of this Draft Red Herring Prospectus	2.15	[●]	₹ Nil# - ₹ 2,800.00
Last 18 months preceding the date of this Draft Red Herring Prospectus	14.96	[●]	₹ Nil# - ₹ 2,800.00
Last three years preceding the date of this Draft Red Herring Prospectus	15.30	[●]	₹ Nil# - ₹ 2,800.00

As certified by PKF Sridhar & Santhanam LLP, with firm registration number 003990S/S200018, pursuant to their certificate dated February 10, 2025.

* *To be updated on finalization of Price Band*

\# *Nil represents the acquisition on account of the bonus issue.*

(1) *Adjusted to give effect to the sub-division of the equity shares of our Company from ₹ 10 each to ₹ 2 each.*

(2) *The above workings are assuming conversion of all outstanding CCPS. As on the date of this Draft Red Herring Prospectus, Water Access Acceleration Fund S.L.P does not hold any Equity Shares. Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October*

10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters – Key terms of other subsisting material agreements" beginning on pages 101 and 252.

(3) *Excluding equity shares transactions in the nature of gift and transmission but includes buy-back.*

Details of the price at which specified securities were acquired in the last three years immediately preceding the date of this Draft Red Herring Prospectus by our Promoters, members of our Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or other special rights

Except as stated below, none of our Promoters and members of our Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or other special rights have acquired any Equity Shares or CCPS in the three years immediately preceding the date of this Draft Red Herring Prospectus:

A. Equity Shares*

Name of Shareholder	Date of acquisition of Equity Shares	Number of equity shares acquired	Face value of equity shares (in ₹)	Acquisition price per equity share
Vinayak S. Gan^	July 28, 2023	50(1)	2.00	21.80(1)
	July 28, 2023	50(1)	2.00	21.80(1)
	July 28, 2023	50(1)	2.00	21.80(1)
	July 28, 2023	50(1)	2.00	21.80(1)
	October 10, 2024	29,126,000	2.00	Nil(2)
Abhijeet V. Gan^	October 10, 2024	18,650,875	2.00	Nil(2)

(1) *The number of Equity Shares, face value of Equity Shares and Acquisition Price per Equity Shares have been adjusted to give effect to the sub-division of each equity share of the Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of the Board dated October 8, 2024 and a resolution of the shareholders dated October 10, 2024.*

(2) *The price of acquisition of equity shares is Nil as the equity shares were acquired pursuant to a bonus issue of 5 new shares per every 1 fully paid-up share, dated October 10, 2024.*

* *As certified by PKF Sridhar & Santhanam LLP, with firm registration number 003990S/S200018, pursuant to their certificate dated February 10, 2025.*

^ *Also promoters of our Company.*

B. Compulsorily Convertible Preference Shares

Name of Shareholder	Date of acquisition	Number of CCPS of face value of ₹10 acquired	Acquisition price per CCPS (in ₹)	Estimated price per Equity Share (in ₹)
Water Access Acceleration Fund S.L.P.(1)	November 7, 2023	460,531	1,445.00	48.17

(1) *The above workings are assuming conversion of all CCPSs. As on the date of this Draft Red Herring Prospectus, Water Access Acceleration Fund S.L.P does not hold any Equity Shares. Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024*

Details of pre-IPO placement

Our Company, in consultation with the BRLMs, may consider an issue of Equity Shares, as may be permitted under the applicable law, to any person(s), aggregating up to ₹ 600.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

The price and name of the shareholder shall be disclosed through public advertisement within 48 hours of the Allotment, if any Pre-IPO Placement is done.

Issue of equity shares of our Company for consideration other than cash in the last one year

Our Company has not issued any equity shares for consideration other than cash (excluding bonus issue) in the one year preceding the date of this Draft Red Herring Prospectus.

Split or consolidation of equity shares in the last one year

Except as disclosed below, our Company has not undertaken split or consolidation of its equity shares in the one year preceding the date of this Draft Red Herring Prospectus:

Pursuant to a resolution of our Board dated October 8, 2024, and a resolution of our Shareholders dated October 10, 2024, each equity share of our Company bearing face value of ₹10 each was sub-divided into 5 equity shares of face value of ₹2 each.

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

Our Company has not sought for any exemption from SEBI under Regulation 300(2) from complying with any provisions of securities law from SEBI, in respect of the Offer as on the date of this Draft Red Herring Prospectus.

SECTION II - RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider the risks and uncertainties described below as well as other information as may be disclosed in this Draft Red Herring Prospectus before making an investment in our Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations and financial condition as of the date of this Draft Red Herring Prospectus. The risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future and may also impair our business. If any or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occur, our business, prospects, results of operations, financial condition and cash flows could suffer, the trading price and the value of your investment in our Equity Shares could decline and you may lose all or part of your investment. In order to obtain an understanding of our Company and our business, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 146, 209 and 378 respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

Our financial year ends on March 31 of each year, so all references to a particular financial year are to the twelve-month period ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, the financial information for nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022 included herein is derived from the Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus. For further information, see "Restated Consolidated Financial Statements" beginning on page 278.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See "Forward-Looking Statements" on page 18.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled "Water, Solar Pumps and IoT Industry Report" dated February 7, 2025 (the "**1Lattice Report**") prepared and released by Lattice Technologies Private Limited, exclusively commissioned by our Company and paid for in connection with the Offer, pursuant to an engagement letter dated August 28, 2024. A copy of the 1Lattice Report will be available on the website of our Company at www.ritewater.in/investor-relations/IPO from the date of filing of this Draft Red Herring Prospectus. The data included herein includes excerpts from the 1Lattice Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the 1Lattice Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further information, see "- Internal Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the 1Lattice Report which has been prepared exclusively for the Offer and commissioned by our Company and paid for by our Company exclusively in connection with the Offer, and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 70.*

Unless specified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. Any potential investor in our Equity Shares should pay particular attention to the fact that we are subject to a regulatory environment in India, which may differ significantly from that in other jurisdictions. In making an investment decision, prospective investors must consult their tax, financial and legal advisors about the particular consequences of investing in the Offer and rely on their own examinations of us and the terms of the Offer, including the merits and the risks involved.

INTERNAL RISKS

1. ***We derive a significant portion of our revenue from operations i.e. 96.02%, 83.76%, 98.73% and 77.74% in the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively from contracts awarded by government entities under various government sponsored schemes through a bidding process. Any change in the Government policies, schemes, political instability or focus and/or any inability to procure such contracts in the future, would adversely affect our business, financial conditions and result of operations.***

   We have partnered with various government entities, undertaking numerous projects for water, solar agriculture and IoT solutions, through central and state government sponsored schemes such as Jal Jeevan Mission ("**Jal Jeevan Mission**"), the Pradhan Mantri Kisan Urja Suraksha Evam Utthan Mahabhiyan ("**PM Kusum Scheme**") and the National Mission for Clean Ganga ("**NMCG**").

   Our diverse client base comprises of multiple state and government organisations and we procure orders through competitive bidding process. As of December 31, 2024, we had 22 government entities as our clients. Set out below are the details of revenue attributable to government clients and public service undertakings for the respective financial periods indicated, as a percentage of our revenue from operations:

Particulars	Nine-month ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Revenue from government clients and public service undertakings	2,935.09	96.02%	1,698.20	83.76%	1,179.22	98.73%	597.13	77.74%

As stated above, some of the government schemes we benefitted from are (a) PM Kusum Scheme which was launched by the Government of India in March 2019 with a total ₹ 344 billion (US$ 4.1 billion) central financial support with the objective of installing 1.40 million standalone solar agriculture pumps in off-grid areas to provide energy security for farmers, reduce the consumption of diesel, promote the use of renewable energy in the agricultural sector and reduce environmental pollution, (b) the Jal Jeevan Mission, launched by the Government of India in 2019, with a mission to provide safe and adequate drinking water through individual household tap connections to all rural homes, with an allocated budget of ₹3.6 trillion (US$ 44 billion), and (c) the NMCG, an initiative under the Namami Gange Mission, launched by the Government of India in 2014 with the aim of rejuvenating and conserving the Ganga River, with a budget allocation of ₹200,000 million (US$ 2,500 million). (*Source: 1Lattice Report*). Our ability to procure contracts depends on the budgets allocated and the number of contracts auctioned under the aforesaid schemes.

Further, our business is substantially dependent on tenders being floated by government authorities, public sector undertakings and utilities. Any delays in tenders released by the government authorities or limited or no tenders being released by government entities may have a material adverse effect on our business and results of operations.

Our business operations, financial condition, and results are significantly influenced by prevailing government policies, strategic priorities, and funding allocations, particularly in sectors such as water solutions and renewable energy. Government policies in these areas may be affected by a range of factors, including shifts in political leadership, budgetary constraints, economic conditions, social and environmental priorities, and international commitments. Any adverse change in these policies, instances of political instability, shift in government focus away from these sectors or our inability to obtain future government contracts could materially affect the demand for our offerings. Additionally, any reduction in government expenditure or budgetary allocation to initiatives relevant to our business may have a negative impact on our revenue and growth potential. For instance, one of our projects was halted before its completion by an executive order of the Government of India due to non-allocation of funds. We had to approach the Micro and Small Enterprise Facilitation Council for recovery of our dues. However, due to continued lack of budgetary allocation and reduced viability of the project under the changing policy landscape, the said project has remained at a standstill. While such instance has not had a material adverse impact on our financial condition and operational results in the past, similar situations in the future could significantly affect our business, financial stability, and performance.

2. ***Our projects are awarded primarily through competitive bidding process. We may not be able to qualify for, compete and win projects or identify new projects, or lose contracts on account of lack of government support or incorrect cost estimation which could adversely affect our business and results of operations.***

As a part of our business and operations, we bid for projects on a competitive basis continually. The contracts under various schemes such as PM Kusum Scheme, Jal Jeevan Mission or the NMCG, are offered by the state and central government institutions through a competitive bidding processes. Only a bidder satisfying the stated pre-qualification requirements of the tender which include experience, financial strength and adherence to the technical specifications prescribed, is eligible to make a bid. Further, the contracts are usually awarded based on the price competitiveness of the bid. The following table sets forth the details of bids at various stages for the financial periods as stated below:

(In ₹ million, unless indicated otherwise)

Particulars	Nine-months period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Number of bids	% of total number of bids applied	Number of bids	% of total number of bids applied	Number of bids	% of total number of bids applied	Number of bids	% of total number of bids applied
Bids awarded	3	20.00%	17	25.75%	8	26.67%	10	35.71%
Bids cancelled	2	13.33%	42	63.64%	22	73.33%	18	64.29%
Bids under process	**7**	46.67%	3	4.55%	-	-	-	-
Bids rejected	3	20.00%	4	6.06%	-	-	-	-
Total bids submitted	**15**	**100.00%**	**66**	**100.00%**	**30**	**100.00%**	**28**	**100.00%**

Further, set out below are the details of the bids submitted as percentage of bids awarded:

Particulars	Nine-month ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Bids awarded as percentage (%) of bids submitted	20.00%	25.75%	26.67%	35.71%

While we have been awarded contracts under PM Kusum Scheme, Jal Jeevan Mission or the NMCG in the past, we cannot assure you that we will continue to be awarded with such contracts in the future. If the Government were to reduce the funding provided towards each of the said schemes, or if we are unable to continue to win bids in the manner we have in the past from state and central Government institutions, it may adversely impact our business, results of operations, financial condition, and cash flows. Further, Government schemes are announced for a particular period and there can be no assurance that the Government will extend the schemes in the future. If such schemes were to terminate, our business, results of operations, financial condition and cash flows would be adversely affected. While we have not faced any instances of termination of schemes in the nine-month period ended December 31, 2024, and the last three Fiscals we cannot assure you that such instances will not arise in the future.

While we have been awarded projects in the past based on our technical qualifications and financial scores, there is no guarantee that we will continue to secure such projects in the future or receive projects of the same or higher value. Although reputation, experience, and financial capacity are crucial in government decisions, we cannot assure you that we will always meet the qualification criteria, particularly for larger projects, and we may not maintain our pre-qualification capability. Moreover, once bidders meet the tender requirements, contracts are typically awarded based on the lowest financial quote. We invest significant resources in preparing bids but cannot guarantee that we will submit a bid for every prequalified opportunity, due to technical or other reasons. Bidding also involves detailed project reports, cost estimations, and market analysis, and any inaccuracies in estimating costs could reduce profitability and impact our business. While we have not faced such challenges in the nine-month period ended December 31, 2024 and the past three Fiscals, any future miscalculations could affect our expected returns.

Submitting competitive bids requires extensive research, planning, and the ability to operate with low margins. If we miscalculate construction, development, or component costs, the project economics could be affected, making bids unviable. Additionally, in the ordinary course of business we do not enter into contracts with suppliers in the pre-bid stages, as suppliers are typically identified and engaged when projects are awarded for execution. Due to the limited time available between project allocation and execution, there is often limited scope for negotiation of supplier terms. Also, in certain instances, suppliers may request price increases due to market fluctuations post allocation of the project. When such adjustments align with broader industry trends, we may need to accommodate these changes to ensure project feasibility and timely completion. While we have not had any material impact on our financial condition due to such instances in the nine-month period ended December 31, 2024 and last three Fiscals, there can be no assurance that there will not be any material adverse impact in the future.

In addition, the government conducted tender processes may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all. In the event that new projects which have been announced and which we plan to bid for are not put up for tender within the announced timeframe, or qualification criteria are modified such that we are unable to qualify, our business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected. While we have not faced any such instances in the nine-month period ended December 31, 2024 and last three Fiscals, there can be no assurance that we will not face any such instances in the future. Additionally, the availability of new projects is influenced by market conditions, government policies, and industry demand. If we are unable to qualify for or win sufficient projects, or if there is a decline in the number of new projects available for bidding, our business, results of operations, and growth potential could be adversely impacted. Failure to secure projects may also result in underutilization of resources and reduced revenue streams, affecting our financial performance and market position.

3. ***We have experienced significant growth in our PAT by 96.95% from Fiscal 2023 to 2024 and 188.43% from Fiscal 2022 to 2023. However, our growth in the past may not be indicative of our future financial performance. Failure to effectively manage our growth could materially and adversely affect the success of our business and/or impact our margins.***

We have experienced significant growth in our revenue from operations and PAT over the nine-month period ended December 31, 2024, and the three preceding Fiscal years. Part of this sustained growth stems from our strategic focus on scaling new solutions—such as solar agriculture and IoT solutions—that address critical environmental challenges, as well as water solutions, which has been our historical area of focus.

The table below sets forth our revenue from operations, profit after tax, and percentage of growth in revenue from operations and PAT, for the financial periods indicated:

Particulars	Nine-month ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (₹ million)	3,056.79*	2,027.49	1,194.34	768.14
Percentage of growth in revenue from operations	NA#	69.76%	55.48%	NA#
PAT (₹ million)	715.06*	492.80	250.21	86.75
Percentage of growth in PAT	NA#	96.95%	188.43%	NA#

* *Not annualized*
\# *Comparative period not available*

Set forth below is a breakup of our revenue from operations across our various solutions offerings for the financial periods indicated:

(In ₹ million, unless indicated otherwise)

Offering	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations	% of revenue from operations	Revenue from operations	% of revenue from operations	Revenue from operations	% of revenue from operations	Revenue from operations	% of revenue from operations
Water solutions	910.91	29.80%	1,605.41	79.18%	1,194.34	100.00%	768.14	100.00%
Solar agriculture solutions	1,848.48	60.47%	334.72	16.51%	-	-	-	-
IoT solutions	297.40	9.73%	87.36	4.31%	-	-	-	-
Total	**3,056.79**	**100.00%**	**2,027.49**	**100.00%**	**1,194.34**	**100.00%**	**768.14**	**100.00%**

As is indicated above, our recent growth is primarily attributable to our foray into solar agriculture and IoT solutions. The aforesaid foray is supported by recent government schemes (such as PM Kusum Scheme) and our increased focus on IoT-driven solutions, which address critical environmental and operational challenges in water management and energy efficiency. Although this diversification has bolstered our overall performance, there is no assurance that we will sustain similar growth rates or replicate our existing profit margins in the future. A substantial portion of this growth stems from government-supported initiatives like the PM Kusum Scheme, which represents our solar agriculture solutions and accounted for 60.47% of our revenue from operations for the nine-month period ended December 31, 2024. However, we cannot assure you that the Government will continue to fund or expand this scheme beyond its current timeline, or that our bids will continue to be accepted in the future. A reduction in government funding for the PM Kusum Scheme, or our inability to successfully secure tenders, could adversely impact our business, results of operations, financial condition, and cash flows.

While these developments have strengthened our market position, there is no assurance that we can sustain this trajectory. Our future financial performance depends on several factors, including our ability to:

- Provide comprehensive clean-tech solutions across multiple high-growth sectors.
- Execute complex projects backed by innovation, ensuring a strong order book that comprises anticipated revenue from the unexecuted portions of existing contracts (including signed contracts for which all pre-conditions for entry into force have been met and letters of acceptance issued by the customer prior to execution of the final contract) ("**Order Book**") and robust client relationships.
- Win government tenders and qualify for bids—particularly in water and solar agriculture, which are crucial to sustaining growth.
- Maintain an asset-light business model, enabling agility and scalability.
- Leverage experienced management and skilled personnel, backed by marquee investors.

As we expand into new areas like solar agriculture and IoT, we may be unable to replicate our past track record of profitability. Moreover, if government initiatives that currently spur growth in solar adoption slow down or if market acceptance of our IoT solutions stalls, we may encounter revenue volatility and increased pressure on profit margins. Our future success also depends on our ability to integrate these newer solutions seamlessly with our core water treatment offerings, maintain a competitive edge, and continue innovating to meet evolving market demands.

Should we fail to effectively manage this growth or should the costs of expansion in solar and IoT outpace the revenues generated, our business, financial condition, and results of operations could be materially and adversely affected. While our financial track record in the nine-month period ended December 31, 2024 and last three Fiscals is favourable, these results should not be considered indicative of future performance as we navigate this transition and broader diversification of our revenue streams.

Failure to improve our existing systems or controls to manage growth effectively, or if the costs of expansion exceed the revenues generate, could adversely impact our business, financial condition, profitability, and results of operations.

4. ***Our business is dependent on the performance of the water solutions, solar agriculture, and IoT sectors. Any adverse changes in the conditions affecting such sectors may adversely impact our business, results of operations, financial condition and cash flows.***

We are a clean technology company focused on water solutions, solar agriculture solutions and IoT solutions. Our business operations and financial performance are substantially dependent on the stability and growth of each of these sectors. While historically we have been substantially dependent on water solutions for a majority of our revenue, our revenue composition has diversified in recent years with the introduction of solar agriculture solutions and IoT solutions.

The table below sets out our revenues generated from the sale of our solutions to end-users in the following sectors:

Particulars	**Nine-month period ended December 31, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (in ₹ million)	**% of revenue from operations**	**Amount (in ₹ million)**	**% of revenue from operations**	**Amount (in ₹ million)**	**% of revenue from operations**	**Amount (in ₹ million)**	**% of revenue from operations**
Revenue from water solutions	910.91	29.80%	1,605.41	79.18%	1,194.34	100.00%	768.14	100.00%
Revenue from solar agriculture solutions	1,848.48	60.47%	334.72	16.51%	-	-	-	-
Revenue from IoT solutions	297.40	9.73%	87.36	4.31%	-	-	-	-
Total	**3,056.79**	**100.00%**	**2,027.49**	**100.00%**	**1,194.34**	**100.00%**	**768.14**	**100.00%**

Each of the sectors we operate in are subject to various influences, including economic conditions, regulatory frameworks, technological advancements, environmental considerations, and the availability of government support or incentives. Any unfavourable developments in these areas could materially affect our business, financial condition, and operational results.

In the water solutions sector, factors such as evolving environmental regulations, shifts in government policy, and fluctuations in budgetary allocations to public water infrastructure projects may influence demand for our offerings and solutions (*Source: 1Lattice Report*). Changes in the regulatory landscape or reductions in public investment could limit growth opportunities within solar sector. Similarly, the solar agriculture sector is highly reliant on consistent policies favouring renewable energy, governmental subsidies, and the stable supply and affordability of solar technologies (*Source: 1Lattice Report*). Any alterations to subsidy structures, shifts in trade policies impacting the cost and availability of solar components, or reduced governmental focus on solar adoption could adversely impact this sector, thereby affecting the demand for our solar-related offerings (*Source: 1Lattice Report*). The IoT sector, characterized by technological evolution and heightened regulatory attention around data privacy and cybersecurity, is also sensitive to market adoption rates and legislative shifts (*Source: 1Lattice Report*). Any slowdown in the adoption of IoT technologies, increased regulatory constraints, or heightened cybersecurity requirements could dampen demand for our IoT-enabled solutions (*Source: 1Lattice Report*).

In the event of any downturn, instability, or adverse shift in these sectors due to the aforementioned factors or other unforeseen circumstances, our financial condition, cash flows, and overall business operation may be materially impacted. While we have not experienced any instances in the last three Fiscals where the fluctuation in the performance of the water, solar agriculture and IoT sectors had an adverse effect on our business, we cannot assure you that such instances will not arise in the future.

5. ***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. The projects that are included in our Order Book may be delayed, modified, cancelled not fully paid, or suspended by our customers and, therefore our Order Book is not necessarily indicative of our future revenue or profit. Any inability to realise the value of our projects could have a material adverse effect on our business, results of operation and financial condition.***

Our Order Book comprises anticipated revenue from the unexecuted portions of existing contracts (including signed contracts for which all pre-conditions for entry into force have been met and letters of acceptance issued by the customer prior to execution of the final contract).

The following table summarizes our Order Book as of the nine-month period ended December 31, 2024, and the last three Fiscals:

Particulars	Outstanding as of December 31, 2024 (in ₹ million)	% of total Order Book	As of March 31, 2024 (in ₹ million)	% of total Order Book	As of March 31, 2023 (in ₹ million)	% of total Order Book	As of March 31, 2022 (in ₹ million)	% of total Order Book
Water solutions	4,870.71	28.27%	4,759.56	29.06%	3,663.42	100%	1,587.39	100%
Solar agriculture solutions	7,545.82	43.79%	8,949.49	54.64%	-	-	-	-
IoT solutions	4,814.81	27.94%	2,668.56	16.29%	-	-	-	-
Total Order Book	**17,231.34**	**100%**	**16,377.60**	**100%**	**3,663.42**	**100%**	**1,587.39**	**100%**

The table below sets out the increase in total Order Book size for the nine-month period ended December 31, 2024 and last three Fiscals.

Particulars	Nine-month ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Order Book (in ₹ million)	17,231.34	16,377.60	3,663.42	1,587.39
Increase in total Order Book size	5.21%	347.05%	130.78%	NA

We cannot assure that we will witness such growth in the revenue from operations in future. Our Order Book does not necessarily reflect our actual future income or financial results, as there are several factors that could result in variances between the estimated values in our Order Book and actual revenues. These factors include potential project delays, client modifications or cancellations, changes in project scope, or unforeseen circumstances affecting our ability to fulfil orders as anticipated.

Furthermore, orders in our Order Book may be subject to amendments or adjustments based on changes in client requirements or budgetary constraints, particularly in projects with governmental or large institutional clients. While we have not faced such changes in the past, we cannot assure that such modifications will not occur in the future, potentially leading to delays, reductions in project scope, or cancellations. Such changes could adversely impact our revenue, cash flows, and overall financial performance.

As a result, there is no assurance that the revenue ultimately realized from these orders will align with the initial estimates, and our actual income may be significantly lower than projected.

The table below sets out our Order Book to revenue from operations for the nine-month ended December 31, 2024, and last three Fiscals:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Order Book (in ₹ million)	17,231.34	16,377.60	3,663.42	1,587.39
Revenue from operations (in ₹ million)	3,056.79	2,027.49	1,194.34	768.14
Ratio: Order Book to revenue from operations (times)	5.64	8.08	3.07	2.07

The manner in which we calculate and present our Order Book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors and peers. Our Order Book generally represents business that we expect to materialise in the foreseeable future, cancellations or scope or schedule adjustments may, and do occur. We cannot guarantee that the entire income and profit anticipated in our Order Book will be realized. Any cancellations or scope adjustments could reduce the amount of our Order Book, resulting in a decline in the income and profits of our Company. Our projects or the projects where we have emerged as the lowest bidder may be cancelled, delayed, modified or cancelled, on account of various factors such as delay in payment by our clients, incidents of force majeure, adverse cash flows, regulatory changes and other factors beyond our control. Certainty of our contracts are subject to cancellation, termination, or suspension at the discretion of the customer at any stage of the contract. There can be no assurance that orders will not be short closed, cancelled or reduced, or that customers will fulfil their payment obligations and other obligations, in a timely manner or at all, in accordance with the agreements, or that customers will not dispute the amounts owed to us. For instance, one of the project awarded to us was closed prior to completion due to delays in fund releases. While we received payments for the billed amounts, certain amounts related to proforma bills remained unpaid. We did not pursue further recovery and the said project is considered closed in our financial statements.

Accordingly, projects can remain in our Order Book for extended periods of time because of the nature of the project and the timing of particular services required by the project. Any deviation in complying with the project timelines may lead to a reduction in the payments to be received by us under such projects. Any delay, cancellation or payment default, or any inability to realise the value of our projects in our Order Book, could have a material adverse effect on our business, results of operation and financial condition.

6. ***A substantial portion of our revenues is dependent on our top five customers. As of the nine-month period ended December 31, 2024 and Fiscals 2024, 2023 and 2022, we derived 92.75%, 87.47%, 81.12% and 60.16%, respectively, of***

our revenue from our top five customers. The loss of any of these customers, will materially and adversely affect our revenues and profitability.

Our customers comprise public sector undertakings and commercial and industrial clients such as Maharashtra Energy Development Agency, Maharashtra State Electricity Distribution Company Limited, Ceinsys Tech Limited, Public Health Engineering Department, Bharatpur, State Water and Sanitation Mission and Public Health Department, Jamui Bihar, Purnea. While we have not faced any customer discontinuance issues in the past, we cannot guarantee that such issues will not arise in the future.

The table below sets forth our revenue from our top three, five and 10 customers, for the periods indicated:

Particulars*	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	% of total revenue from operations	Amount (in ₹ million)	% of total revenue from operations	Amount (in ₹ million)	% of total revenue from operations	Amount (in ₹ million)	% of total revenue from operations
Top 3 customers	2,286.68	74.81	1,670.82	82.41	900.03	75.36	374.98	48.82
Top 5 customers	2,835.13	92.75	1,773.54	87.47	968.84	81.12	462.09	60.16
Top 10 customers	2,978.60	97.44	1,913.83	94.39	1,072.79	89.82	594.93	77.45

Set out below are details of our revenue from our top 10 customers for the years indicated:

Customer	Nine-month period ended December 31, 2024		Customer	Fiscal 2024		Customer	Fiscal 2023		Customer	Fiscal 2022	
	Amount (in ₹ million)	% of revenue from operations		Amount (in ₹ million)	% of revenue from operations		Amount (in ₹ million)	% of revenue from operations		Amount (in ₹ million)	% of revenue from operations
State Water and Sanitation Mission	823.08	26.93%	State Water and Sanitation Mission	1340.46	66.11%	State Water and Sanitation Mission	652.32	54.62%	Customer 1*	186.31	24.26%
Maharashtra Energy Development Agency	776.44	25.40%	Maharashtra State Electricity Distribution Company Limited	265.53	13.10%	Customer 2*	137.15	11.48%	Customer 2*	104.12	13.55%
Maharashtra State Electricity Distribution Company Limited	687.16	22.48%	Customer 3*	64.83	3.20%	Customer 3*	110.56	9.26%	Public Health Engineering Department, Purnea	84.55	11.01%
Customer 4*	458.78	15.01%	Customer 4*	54.39	2.68%	Public Health Engineering Department, Purnea	37.94	3.18%	Customer 4*	53.28	6.94%
Ceinsys Tech Limited	89.67	2.93%	Maharashtra Energy Development Agency	48.34	2.38%	Public Health Engineering Department, Bharatpur	30.87	2.58%	Public Health Department, Jamui	33.83	4.40%
Customer 6*	56.46	1.85%	Customer 6*	37.94	1.87%	Public Health Engineering Department, Banka	26.80	2.24%	Customer 6*	30.74	4.00%

Customer	Nine-month period ended December 31, 2024		Customer	Fiscal 2024		Customer	Fiscal 2023		Customer	Fiscal 2022	
	Amount (in ₹ million)	% of revenue from operations		Amount (in ₹ million)	% of revenue from operations		Amount (in ₹ million)	% of revenue from operations		Amount (in ₹ million)	% of revenue from operations
Ozone Research and Application India Private Limited	35.24	1.15%	Customer 7*	33.90	1.67%	Customer 7*	23.51	1.97%	Customer 7*	27.72	3.61%
Public Health Engineering Department, Purnea	26.02	0.85%	Customer 8*	25.11	1.24%	Customer 8*	19.91	1.67%	Public Health Engineering Department, Banka	27.38	3.56%
Public Health Department, Jamui	14.64	0.48%	Customer 9*	23.37	1.15%	Public Health Department, Jamui	18.29	1.53%	Public Health Engineering Department, Bharatpur	27.02	3.52%
Public Health Engineering Department, Banka	11.12	0.36%	Public Health Engineering Department, Banka	19.96	0.98%	Customer 10*	15.45	1.29%	Customer 10*	19.98	2.60%

* *These customers represent the top customers for each of the respective Fiscals and the nine month period ended December 31, 2024 and may not necessarily be the same customers across the three Fiscals and nine month period ended December 31, 2024. The names of these customers are not being disclosed due to non-receipt of consent from these customers.*

While we depend on our top five customers for a substantial portion of our revenue from operations in a particular reporting period; the customers forming part of our top five customers vary every financial year depending on the nature and value received. The loss of any of our top five customers for any reason (including due to loss of, or failure of our customers to win orders / contracts from their customers to renew our existing arrangements with our customers; limitation to meet any change in quality specification, change in technology; disputes with a customer; adverse changes in the financial condition of our customers, such as possible bankruptcy or liquidation or other financial hardship) could have a material adverse effect on our business, results of operations and financial condition.

Further, we rely on work orders, letter of award and delivery schedules issued by our customers from time to time, that set out the price per unit, volume and other terms of sales for our offerings and services offered. However, such work orders, letter of awards and delivery schedules may be cancelled unilaterally with or without cause and should such cancellation take place, it may have an adverse impact on our revenue and results of operations. Furthermore, there is no assurance that our top five customers will continue to source offerings and services from us at volumes or rates consistent with, and commensurate to, the amount of business received from them historically, or at all. While we have not faced any such instances in the nine-month period ended December 31, 2024 and in the last three Fiscals, we cannot assure you that any decrease in the demand for our offerings and services from our top five customers, or a termination of our arrangements altogether, would not adversely impact our results of operations, financial condition and cash flow.

7. ***Our business is dependent on suppliers to procure our raw materials, packing materials, tools and equipment along with purchase of services such as sub-contracting, contract labourers, civil construction contractors for our water treatment plants, etc. As of the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022, our top five suppliers contributed to 46.06%, 55.36%, 24.36%, and 30.14% of the cost of total expenses purchased, respectively. Interruptions in the supply of raw materials and services could adversely affect our ability to manufacture our products, execute our projects and consequently our business and results.***

Our principal raw materials purchased, and products purchased for manufacturing and providing services includes alternative current ("**AC**") and direct current ("**DC**") converters switch mode power supply systems ("**SMPS**"), invertor and battery cells power supply units, dosing pump, plastic tanks, solar pumps, electro chlorination related materials, solar panels, which are procured through purchase orders without long-term agreements. The purchase of raw materials and components accounts for a significant portion of our expenses. The table below sets out the cost incurred in the procurement of raw materials and components for the solutions we offer as a percentage of our revenue from operations for the nine-month period ended December 31, 2024, and Fiscal 2024, 2023 and 2022, respectively:

Particular	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	As a % of the Revenue from operations	Amount (in ₹ million)	As a % of the Revenue from operations	Amount (in ₹ million)	As a % of the Revenue from operations	Amount (in ₹ million)	As a % of the Revenue from operations
Cost of material consumed (includes stock in trade and changes in inventories of finished goods)	1,346.47	44.05%	711.23	35.08%	341.31	28.58%	242.60	31.58%

As a result, we are exposed to the risk of supplier delays or non-performance, which could disrupt production and impact our output. While we have not faced any significant issues with our suppliers in the past, we cannot guarantee that such issues will not arise in the future. If suppliers fail to meet our needs or if we cannot find alternative suppliers on favorable terms, our ability to meet production deadlines and contractual obligations could be affected, potentially impacting our margins and operations.

We had a network of 246 suppliers, as of December 31, 2024. Set forth below is a table depicting the cost of expenses from our top 3, 5 and 10 suppliers:

Particular	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	As a % of the total expenses	Amount (in ₹ million)	As a % of the total expenses	Amount (in ₹ million)	As a % of the total expenses	Amount (in ₹ million)	As a % of the total expenses
Top 3 suppliers	768.94	36.13	638.39	46.87	160.51	18.76	182.45	25.93
Top 5 suppliers	980.21	46.06	754.04	55.36	208.43	24.36	212.03	30.14
Top 10 suppliers	1,288.26	60.54	920.80	67.61	259.80	30.37	250.35	35.58

Set out below are details of our expenses towards our top 10 suppliers for the years indicated:

Supplier	Nine-month period ended December 31, 2024		Supplier	Fiscal 2024		Supplier	Fiscal 2023		Supplier	Fiscal 2022	
	Amount (in ₹ million)	As a % of the cost of total expenses		Amount (in ₹ million)	As a % of the cost of total expenses		Amount (in ₹ million)	As a % of the cost of total expenses		Amount (in ₹ million)	As a % of the cost of total expenses
Supplier 1*	399.30	18.76%	Supplier 1*	260.53	19.13%	Supplier 1*	87.41	10.22%	Supplier 1*	99.15	14.09%
Supplier 2*	227.60	10.69%	Powertron Tele Private Limited	228.85	16.80%	Supplier 2*	40.36	4.72%	Supplier 2*	58.79	8.36%
Powertron Tele Private Limited	142.05	6.67%	Goldi Solar Private Limited	149.01	10.94%	Supplier 3*	32.74	3.83%	Supplier 3*	24.50	3.48%
Goldi Solar Private Limited	119.25	5.60%	Supplier 4*	65.03	4.77%	Supplier 4*	25.55	2.99%	Supplier 4*	16.98	2.41%
Supplier 5*	92.02	4.32%	Verito Engineering Private Limited	50.62	3.72%	Verito Engineering Private Limited	22.37	2.61%	Supplier 5*	12.61	1.79%
Raajratna Ventures Limited	75.37	3.54%	Goldi Sun Private Limited	42.01	3.08%	Supplier 6*	16.12	1.88%	Supplier 6*	8.71	1.24%
Supplier 7*	69.31	3.26%	Supplier 7*	37.36	2.74%	Supplier 7*	12.50	1.46%	Supplier 7*	8.02	1.14%

Supplier	Nine-month period ended December 31, 2024		Supplier	Fiscal 2024		Supplier	Fiscal 2023		Supplier	Fiscal 2022	
	Amount (in ₹ million)	As a % of the cost of total expenses		Amount (in ₹ million)	As a % of the cost of total expenses		Amount (in ₹ million)	As a % of the cost of total expenses		Amount (in ₹ million)	As a % of the cost of total expenses
Supplier 8*	66.89	3.14%	Supplier 8*	34.65	2.54%	Supplier 8*	11.59	1.35%	Supplier 8*	7.72	1.10%
Supplier 9*	49.05	2.30%	Supplier 9*	29.63	2.18%	Supplier 9*	8.78	1.03%	Unicare Technologies Private Limited	7.34	1.04%
Modigold Pipes Private Limited	47.44	2.23%	Supplier 10*	23.12	1.70%	Supplier 10*	2.38	0.28%	Supplier 10*	6.52	0.93%

* *These suppliers represent the top suppliers for each of the respective Fiscals and the nine month period ended December 31, 2024 and may not necessarily be the same suppliers across the three Fiscals and nine month period ended December 31, 2024. The names of these suppliers are not being disclosed due to non-receipt of consent from these suppliers.*

We procure supplies through short-term arrangements, primarily via purchase orders, without long-term contracts. As a result, suppliers are not obligated to prioritize us and may sell to competitors. Our ability to secure reliable suppliers is crucial to our growth, inventory management, and operations. While we have a broad supplier network, certain raw materials come from a limited number of sources. For instance, SMPS, AC/DC converters, other converters are majorly sourced from Powertron Tele Private Limited. Disruptions in supply, delays, or quality issues could impact our production schedule and output. Although we have not faced such issues in the nine-month period ending December 31, 2024 and last three Fiscals, we cannot guarantee they won’t occur in the future.

8. *We have made a trademark application for our logo Vrite water राईट वॉटर on November 29, 2024, and our inability to procure registration of the same or to protect any of our intellectual property rights including misappropriation, infringement or passing off of our intellectual property, could have an adverse impact on our business.*

As of the date of this Draft Red Herring Prospectus, we have six registered trademarks in India under class 11 and 45. Further, two trademark applications have been opposed and four trademark applications have been objected. There can be no assurance that these applications will be successful or that we will be able to register these marks. In the absence of a registration of the tradename and trademark of our Company under the Trademarks Act, 1999, we will not enjoy the statutory protections accorded to a registered name or mark and therefore, we may not be able to initiate an infringement action against a third party for infringing our trademarks and a passing off action might not be sufficient protection until such time the registration is granted.

A trademark application for our new logo “Vrite water राईट वॉटर” under class 11 has been made by us on November 29, 2024. Our inability to obtain registration for this new logo could hinder our ability to protect the said logo from any unauthorized use or misappropriation. Without registration, we will not be able to get the statutory protections accorded under the Trademarks Act, 1999, and may only be able to rely on passing off actions to protect our rights, which might not be sufficient and have an adverse impact on our business and operations.

One of our previously used logo is registered under the name of one of our Promoters, Abhijeet V. Gan for which we have entered into a Trademark License Agreement dated September 28, 2023, for the use of logo. We are also dependent on our subsidiaries and other group entities that share our brand name and use intellectual property associated with our business. Any adverse developments involving these entities, including misuse of the brand or intellectual property, operational failures, or reputational issues, could negatively impact our Company’s reputation and, in turn, have an adverse effect on our business operations, financial condition, and growth prospects. See also “*Our Business – Intellectual Property*” on page 241. To protect our intellectual property rights, we may be required to resort to legal action, which may strain our resources and divert the attention of our management from our day-to-day functioning. Furthermore, if a competitor is able to reproduce our technology, it may be difficult and expensive for us to obtain necessary legal protection. Any adverse outcome in any legal proceedings that we may initiate in future to successfully enforce our intellectual property may have an adverse effect on our business, results of operations and cash flows.

9. ***We have experienced negative cash flows from operating, investing and financing activities in the past and may experience earnings decline or losses or negative cash flows from operating, investing and financing activities in the future.***

We have in the past, and may in the future, experience negative cash flows from operating, investing and financing activities. The following table sets forth our total cash flows for the period/years included, as applicable:

(in ₹ million)

Particulars	nine-month period ended December 31, 2024	As of		
		Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash generated from / (used in) operating activities	(1,162.17)	(219.18)	317.77	0.96
Net cash generated from / (used in) investing activities	464.20	(562.99)	41.54	58.83
Net cash generated from / (used in) financing activities	199.24	1026.21	(146.09)	(6.99)
Cash and cash equivalents at the end of the year	21.22	519.97	275.93	62.71

We have net cash outflow from the (i) operating activities in Fiscal 2024 which was primarily due to working capital requirements which consisted of increase in inventories, trade receivables, other assets and other financial assets; (ii) investing activities in Fiscal 2024 which was primarily due to payment for purchase of fixed assets including intangible assets, mutual fund investments and investments in fixed deposits; and (iii) financing activities in Fiscal 2023 and Fiscal 2022 which was primarily due to repayment of long term borrowings and short-term borrowings, payment of lease rentals and finance cost.

Any negative cash outflows from operating activities over extended periods, could have an adverse impact on our cash flow requirements, business operations and growth plans. There can be no assurances that cash flows will be positive in the future thereby creating an adverse impact on our ability to meet working capital expenditure, repay loans without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. We cannot assure you that such events will not occur or not have an adverse effect, in the future. For further details, see "*Management's Discussion on Analysis of Financial Conditions and Results of Operations – Cash Flows Based on Financial Statements*" on page 404.

10. ***We may face risk of debarment / blacklisting and seizure of guarantees on account of non-performance of contractual obligations in future, which if determined, may adversely affect our business, operations, reputation and future cashflows.***

We closely work with state government organisations and are required to enter into contracts with various government entities. These contracts are typically governed by strict performance standards, timelines, and other contractual obligations. Additionally, these contracts typically require us to provide earnest money deposits and performance guarantees to secure our commitments. If we fail to meet these obligations, whether due to non-performance, delays, or other reasons, there is a risk of being debarred or blacklisted or seizure of our earnest money deposits and performance guarantees by the government bodies. Such debarment or blacklisting or seizure could prevent us from participating in future government tenders and procurement opportunities for a specified period, significantly limiting our ability to secure new contracts.

Debarment or blacklisting could have adverse consequences for our business, including a negative impact on our reputation, loss of future revenue opportunities, and potential legal ramifications. Additionally, the seizure of earnest money deposits or performance guarantees or failure to perform any contractual obligations or a breach of terms may also result in financial penalties or claims for damages, which would negatively impact our financial position and strain our resources.

On June 15, 2020, our Company was debarred by the public health engineering department, of a government organisation, due to non-completion of the construction work within the stipulated period and not providing the explanation for non-completion. However, following the completion of the project, we were removed from debarment on June 30, 2021. While the issue was resolved, such instances highlight the risks associated with our reliance on government contracts. Additionally, we cannot assure you that we will be able to meet all the performance expectations under future contracts. The possibility of debarment or blacklisting, if it were to occur, would materially and adversely affect our business, operations, reputation and future cashflows.

11. ***A significant portion of our revenue from operations is unbilled at the end of each financial period due to procedural delays in billing, primarily for government clients. This unbilled revenue, combined with delays in payments, contributes to an extended working capital cycle and could adversely impact our financial condition and results of operations.***

The following table sets forth our revenue from operations, billed revenue and unbilled revenue in the nine-month period ended December 31, 2024 and the last three Fiscals:

Particular	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	As a % of the revenue from operations	Amount (in ₹ million)	As a % of the revenue from operations	Amount (in ₹ million)	As a % of the revenue from operations	Amount (in ₹ million)	As a % of the revenue from operations
Billed revenue	1,985.63	64.96%	1,382.86	68.21%	897.00	75.10%	640.11	83.33%
Unbilled revenue	1,071.16	35.04%	644.63	31.79%	297.34	24.90%	128.03	16.67%
Revenue from operations	**3,056.79**	**100.00%**	**2,027.49**	**100.00%**	**1,194.34**	**100.00%**	**768.14**	**100.00%**

Billed revenue refers to income invoiced for completed work, while unbilled revenue is earned but not yet invoiced. Unbilled revenue often arises in projects like installing solar pumps under government schemes, where payments are delayed due to commissioning or lengthy approval processes. In projects wherein government organisation is a customer, approvals involve multiple levels i.e. from gram panchayats to state authorities, leading to significant delays. Challenges like holidays, procedural changes, and coordination further extend such timelines. To manage liquidity, we raise proforma invoices, initiating approvals without raising tax invoices prematurely. High unbilled revenue reflects delayed payments and longer cycles, especially when pursuing higher turnover which strains working capital, requiring efficient cash flow management to sustain operations.

Unbilled revenue is a significant contributor to our working capital cycle, as the amounts cannot be realized until the completion of all necessary procedural and documentation requirements. Our contracts primarily involve government clients, who are generally regarded as low credit-risk customers. However, these contracts are prone to payment delays due to budgetary constraints, administrative processes, or changes in government priorities. Although counterparty default risk is minimal, delayed payments can adversely affect our liquidity and cash flows. The extended credit periods required for government projects, procedural delays in invoicing, and the reliance on unbilled revenue for a substantial portion of our turnover amplify our working capital requirements.

We face additional risks from the inherent nature of government projects, such as prolonged approval cycles, policy changes, and administrative delays. While there have been no instances of material bad debts in the nine-month period ended December 31, 2024, and last three Fiscals, we cannot assure that such risks will not arise in the future. Our unbilled revenue component is reflected in other financial assets and is the major contributor for inflated other financial assets. If unbilled revenue remains a significant component of our revenue from operations, our financial condition, operating results, and liquidity could be adversely affected.

12. ***Our ability to negotiate government contracts is limited, exposing us to the risk of onerous terms which could negatively impact our business and operations. Additionally, we face the possibility of project delays, non-completion, or legal disputes, which could adversely affect our financial performance and overall business stability, which may may adversely impact our financial condition and results of operations.***

Our business involves contracts with government entities, which are often subject to standard terms and conditions that may be non-negotiable or only partially negotiable. Consequently, our ability to influence or amend these terms is limited, and we may be required to accept provisions that are less favorable or impose significant obligations on us. These include the requirement to provide earnest money deposits at the time of bidding, no allowance for price escalation during the contract period, and performance bank guarantees against the capital expenditure, which are retained until the completion of the O&M period. Such terms can increase our working capital requirements, expose us to potential forfeiture of earnest money or performance guarantees, and limit our ability to adjust project timelines or costs in response to unforeseen circumstances. In addition, strict compliance requirements, penalties for non-performance, and extensive warranties and indemnities further elevate our operational and financial risks. For further details please see '***We are required to furnish financial and performance bank guarantees and letter of credit as part of our business. Our inability to arrange such guarantees and / or letter of credit or the invocation of such guarantees may adversely affect our cash flows and financial condition.***' on page 44.

In cases where government policies or requirements change mid-contract, we may be compelled to comply without adequate recourse, further straining our resources. If we are unable to manage the risks associated with these terms, our business operations, financial condition, and profitability could be adversely affected. We have not faced any instance of increase in operational costs due to the above-mentioned factors in the nine-month period ended December 31, 2024, and the last three Fiscals, primarily as our Company places order for the raw materials only after receiving confirmed projects or tenders. However, we cannot assure that such risks will not arise in the future.

Further, these government contracts generally contain terms that favour government clients, and our ability to negotiate these terms is limited. As a result, we may be required to accept onerous conditions, including obligations determined unilaterally by government entities, without room for modification. Furthermore, many of our government contracts provide the government with the right to unilaterally terminate the contract, which could have a detrimental impact on the successful execution and profitability of our projects.

Moreover, our business is highly dependent on the timely payment and performance of these government contracts. The collection of receivables from government-owned or controlled agencies may be delayed due to extensive verification processes and internal budgetary constraints. These delays, which have historically ranged from 60 - 180 days, could adversely affect our liquidity and cash flows. Although the payments are generally secure, there is a risk that these delays, coupled with other issues such as changes in government policies or budgetary allocations or support by the government authorities, may negatively impact our financial position and operational efficiency. Furthermore, any change in the government may result in a change in policy and reassessment of existing awarded contracts. In such instances, the revised terms and conditions of future contracts may render all or some projects unviable, resulting in reduction of our revenues.

Set forth below is a table showcasing the trade receivables based on our standalone audited financial statements for the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Trade receivables (in ₹ million)*	1,345.27	351.18	211.08	337.11
Trade receivables days (in days)	121^	61	65	160

* *Net of expected credit loss / provision for doubtful debts*

^ *Figures have been annualized*

For further details, please see, "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 18*" at page 333. While we have not faced any significant loss of business due to the above-mentioned factors in the period ended December 31, 2024 or last three Fiscals, we cannot assure you that we will be shielded from such risks in the future as changes in government regulations, delays in project execution, or changes in payment cycles could materially and adversely affect our business, financial condition, and results of operations.

13. ***We require sizeable amounts of working capital for our continued operation and growth. Our inability to meet our working capital requirements could have a material adverse effect on our business, results of operations and financial condition. Further, any surplus production on account of inaccurate forecasting of customer requirements and failure to manage inventory could adversely affect our business, results of operations and financial condition.***

Our business requires significant working capital for day-to-day operations, procurement of raw materials, and assembly components due to the time gap between purchasing materials and realizing revenues from the sale of finished goods. Any inability to meet these requirements could adversely affect our cash flow cycle. Further, funding our working capital requirements is also one of our objects for which Net Proceeds of the Fresh Issue will be utilised. For further details, please see '*Objects of the Offer - Details of objects of the Offer to be funded from Fresh Issue proceeds*' on page 118.

The key drivers of our working capital needs are:

- Unbilled revenue: A significant portion of our revenue remains unbilled due to pending paperwork, extending our working capital cycle until billing formalities are completed. For further details, please refer "*Risk Factors – A significant portion of our Revenue from operations is unbilled at the end of each financial period due to procedural delays in billing, primarily for government clients. This unbilled revenue, combined with delays in payments, contributes to an extended working capital cycle and could adversely impact our financial condition and results of operations.*";

- Trade receivables: A large share of our clients are government entities, leading to longer payment cycles and set forth below is a table showcasing the trade receivables and trade receivables ratio based on our standalone audited financial statements as on the nine-month period ended December 31, 2024, and last three Fiscals:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Trade receivables (in ₹ million)#	1,345.27	351.18	211.08	337.11
Trade receivables days (in days)	121*	61	65	160
Trade receivables turnover ratio	3.01*	6.01	5.65	2.28

* *Annualized*

\# *Net of expected credit loss / provision for doubtful debts*

- Inventory levels: Our foray into the solar sector requires maintaining higher inventory of solar pumps to offer farmers a variety of options, increasing inventory days compared to when we focused primarily on water solutions and set forth below is a table showcasing the inventory days based on our standalone audited financial statements as of the nine-month period ended December 31, 2024, and as at the end of the last three Fiscals:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Inventory days	49*	23	20	15

* *Annualized*

- Expected business growth: Anticipated growth in operations is expected to drive higher working capital needs to support larger contracts, increased inventory, and extended receivables cycles.

- Payment of margin money for bank guarantees and payment of earnest money deposits: Securing projects, particularly government contracts, often requires us to furnish bank guarantees and earnest money deposits, tying up capital and impacting our working capital requirements.

Additionally, our projects and contracts often require significant working capital expenditure before milestone payments are received, particularly for new systems and plants, which may involve higher material and assembly costs. Customers may not be invoiced until delivery or later, and in some cases, payments may be inordinately delayed. Higher levels of trade receivables also increase working capital requirements, straining our financial resources.

Set forth below are the details of our Company's working capital requirements basis our audited standalone financial statements for the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net working capital requirements (₹ million)	2,465.50	1,250.82	464.83	474.74
Net working capital days	222*	216	142	226
Net working capital turnover ratio (in times)	1.64*	1.69	2.57	1.62

* *Annualised*

We meet our working capital requirements in the ordinary course of business from banks and internal accruals. Set forth below are the details of total outstanding working capital loans and working capital loans as a percentage of total assets on a consolidated basis for and as of the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022:

(in ₹ million, except percentages)

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total outstanding working capital loans	397.71	164.15	27.33	35.77
Working capital loans as % of total assets	9.42%	5.56%	2.17%	3.54%

We expect to continue to fund our working capital requirements in the future from cash generated from operations and from working capital loans; however, our inability to meet our working capital requirements through cash from our operations or borrowings, as the case may be, could have a material adverse effect on our business, results of operations and financial condition.

We place orders for raw materials and components only after receiving confirmed orders or tenders, and do not forecast or estimate demand in advance. Consequently, our production and assembly decisions are directly aligned with the receipt of our orders. However, if there are delays in procurement or fulfilment of raw materials and components, or inefficiencies in scaling up production, we may face challenges in meeting demand within the required timelines, potentially resulting in loss of business or reputational harm. While this approach minimizes the risk of surplus inventory or overproduction, any disruptions in the supply chain or delays in delivery from suppliers could adversely impact our ability to meet project deadlines. Additionally, any increase in material costs or supply shortages may further strain our operations and financial performance. Such challenges in aligning supply with confirmed demand could have an adverse effect on our business, results of operations, and financial condition.

As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our working capital in the future. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition, cash flows and results of operations. In addition, if we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, or re-negotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations and financial condition could be materially and adversely affected.

14. ***Our lack of long-term supply orders of key raw materials and components from our suppliers increases the risk of pricing pressure for our demand of continued supply, any variation in the supply and cost of such key raw materials and traded goods could have an adverse effect on our business, financial condition and operations. Also, our essential raw materials such as solar panels and pump motor controllers on which we are dependent for our solar operations are not easy to procure. Any inability to procure such raw materials could adversely affect our business, results of operations and financial condition.***

Our solar operations are significantly dependent on the procurement of solar panels and pump motor controllers as essential raw materials. Any disruptions in the supply of these components, such as shortages, price volatility, or delays in delivery from our suppliers, could adversely impact our operations and product availability. The fluctuating prices of these key raw materials and components, coupled with our lack of long-term supply agreements, could significantly impact our cost structure and profitability. The absence of long-term contracts leaves us more vulnerable to market volatility, making it difficult to predict costs and manage our margins effectively. This exposure to pricing fluctuations underscores the importance of our ability to negotiate favorable terms with suppliers and, where possible, secure consistent pricing to mitigate potential risks.

The quality and timely supply of our products (and consequently, customer acceptance of such products) depends on the quality of the raw materials, components and spares such as solar panels and pump motor controllers, etc. to timely deliver such materials. The prices and supply of such materials and components depend on factors beyond our control, including general economic conditions, competition, production levels, transportation costs and import duties. Suitable alternative suppliers who can meet our technical and quality standards, and who can supply the necessary quantities, may be hard to find in the event of a supply failure. The failure of any of our suppliers to deliver these materials or components in the necessary quantities, to adhere to delivery schedules for supply, or to comply with specified quality standards and technical specifications, could adversely affect our projects, and services. While we have not faced any such instances in the nine-month period ended December 31, 2024 and the three Fiscals, we cannot assure you that we will not face such issues with the failure of our suppliers which could adversely affect our projects and services.

We do not have long- term agreements with our suppliers. We typically place orders with our suppliers, and the price for each order is negotiated based on market conditions and the price for each order of other raw materials, such as solar panels, is based on the benchmark price we received annually. Prices of such raw materials may fluctuate. If our raw materials become significantly more expensive, we may not be able to pass on the additional costs to our customers and our profit margins may be reduced.

Our relationship with suppliers of key raw materials and components lacks exclusivity, thereby contributing to potential pricing pressures exerted by our suppliers. Such pricing pressure from our suppliers may adversely affect our business, gross margin, profitability, and ability to increase prices, impacting our business, results of operations, cash flows, and financial condition. This pricing pressure can limit our ability to set or maintain prices at levels that would sustain our gross margins and profitability. However, we have not experienced any material pricing pressures for the nine-month period ended December 31, 2024 and in the last three Fiscals.

If we are unable to offset pricing pressure through cost reductions, efficiency improvements, or other measures, our profitability could decline. In addition, if we experience a quality issue with a raw material or we otherwise discontinue our relationship with a particular supplier, we may experience delays or increased costs in obtaining such raw materials from a comparable supplier. Although we have not experienced any significant shortages or delays in the last three Fiscals, we cannot assure you that we will not encounter any shortage or delay in the future.

15. ***We may be exposed to liabilities arising from delays, defects or faults installation of our projects, which may adversely affect our business, financial condition, results of operations and prospects.***

Actual or claimed defects or defaults in quality during the installation 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 customers in part, or at all, for any defects observed in the projects or damage caused to the project on account of the fault attributable to us. We have not experienced any defect liability for the nine-month period ended December 31, 2024, and in the last three Fiscals. The defect liability period typically extends until the end of the contract, including the operations and maintenance ("**O&M**") or annual maintenance contract ("**AMC**") period. To mitigate the risk of defect liability compliance, we enter back-to-back arrangements with our suppliers, who are generally the original equipment manufacturers ("**OEMs**"). These agreements help safeguard against potential liabilities. Additionally, if we are found in breach any of our O&M obligations, we will be subject to penalties and liabilities per the terms and conditions of such agreements. We have not incurred any costs or penalty or liability in the nine-month period ended December 31, 2024 and last three Fiscals.

For details of the nature of our agreements and the obligations thereunder, please see "*Our Business – Nature of our agreements*" on page 229.

We may further face delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such 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 customers. We cannot assure you that any claims in respect of the quality of our installations will not arise in the future and would not affect our business or financial condition. We may not be able to recover such increased costs from our customers in part, or at all, and may further be subject to penalties, including liquidated damages on account of such installation faults arising in our projects.

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

As part of our business, we are required to provide financial and performance bank guarantees and letters of credit in favour of our clients, particularly when bidding for contracts or securing business opportunities. For our projects, we typically issue bank guarantees to the relevant authority with whom the contractual arrangement has been entered into. These guarantees serve as security for the performance of our obligations and ensure our financial reliability in the event of non-performance or breach of contract. Our inability to arrange these financial instruments, or the invocation of such guarantees, could significantly impact our cash flows and financial condition. The requirement to provide such guarantees may tie up substantial capital, limiting our liquidity and potentially affecting our ability to fund other critical operational needs. Additionally, if any performance or financial guarantee is invoked, it could result in a direct cash outflow or the need to settle the guarantee, leading to a negative impact on our cash reserves.

Moreover, the need for these guarantees could increase the cost of obtaining financing or may require us to secure additional collateral, which could further strain our financial position. If we fail to meet the conditions of these guarantees or letters of credit, it may damage our reputation, lead to disputes with clients, and impair our ability to secure future contracts.

The table below sets forth the bank guarantees issued as of December 31, 2024, March 31, 2022, 2023 and 2024, respectively, towards securing our financial / performance obligations under our ongoing projects:

Guarantee	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Bank guarantee (₹ million)	326.88	267.20	154.71	164.75

While we actively manage our financial obligations and work to ensure we can provide the necessary guarantees, the potential for delays or challenges in securing such instruments could adversely affect our business, results of operations, and financial stability. Additionally, delays in project completion due to factors like engineering changes, labor shortages, supply chain disruptions, or external approvals could result in penalties, harm our reputation, and constrain our resources for other projects. Additionally, any invocation of such guarantees or letters of credit would require us to deploy resources that may otherwise be allocated to other areas of the business, hindering our ability to pursue growth opportunities and manage operational costs effectively. In Fiscal 2023, we have faced an incident involving an invocation of our bank guarantee amounting to ₹ 1.00 million furnished as earnest money deposit for a tender. Such instances highlight the risk of procedural non-compliance by counterparties, exposing our Company to potential financial loss and operational challenges. There remains a possibility of similar occurrences in the future, necessitating close monitoring and mitigation efforts.

17. ***We are dependent on our sub-contractors to perform various portions of the contracts awarded to us. Such dependency exposes us to certain risks such as availability and performance of our sub-contractors that may have an adverse effect on our business, results of operations and financial condition.***

Our business is dependent on the sub-contractors for installation and commissioning of electro-chlorination units, solar pumps and water IoT for the contracts and projects awarded to us. Some of the material and offerings for which we rely on sub-contractors include solar agricultural pumps and electro-chlorination units.

These sub-contractors play a critical role in executing projects by handling specialized work, meeting deadlines, and adhering to required quality standards. However, our dependency on sub-contractors exposes us to several risks that could negatively impact our business. The performance and availability of sub-contractors are essential for the timely and successful completion of projects. If a sub-contractor faces operational challenges such as labour shortages, financial instability, or delays in delivering contracted services, the overall project may be delayed. Such delays could lead to penalties, strained client relationships, and potentially increased costs to cover the shortfall, all of which could have a detrimental effect on our financial condition and reputation. Set forth is the amount spent on sub-contracting for the period specified below:

Particular	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	As a % of revenue from operations (in %)	Amount (in ₹ million)	As a % of revenue from operations (in %)	Amount (in ₹ million)	As a % of revenue from operations (in %)	Amount (in ₹ million)	As a % of revenue from operations (in %)
Sub-contracting	240.34	7.86	218.69	10.79	150.21	12.58	188.76	24.57

Additionally, we may be exposed to quality risks if sub-contractors fail to meet the expected standards, which could result in the need for costly rework, legal claims, or customer dissatisfaction. The failure of a sub-contractor to perform in accordance with the contract could also lead to disputes, further compounding the financial and operational risks. Our reliance on sub-contractors also means that we are exposed to risks beyond our direct control, such as the financial stability of sub-contractors, changes in their business practices, or their ability to comply with regulatory requirements. Any adverse development in a sub-contractor's business could impact their ability to fulfil their obligations, which in turn could disrupt our operations and affect the execution of contracts.

While we mitigate these risks by carefully selecting sub-contractors, we cannot guarantee that these measures will fully shield us from the potential adverse effects of sub-contractor dependency. There have been delays at time and following are the liquidated damages borne by us for the period mentioned below:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Liquidated damages (₹ million)	1.03	4.98	8.11	-

Any significant issues with sub-contractors could lead to delays, cost overruns, or legal liabilities, adversely affecting our business, results of operations, and financial position.

18. Our manufacturing and assembly operations are concentrated in Maharashtra in India and any negative developments in these regions could have an adverse effect on our business, operations and financial performance.

We have one manufacturing and assembly unit located in Nagpur, Maharashtra in India. This regional concentration exposes us to risks such as economic slowdowns, social or political unrest, natural calamities, or adverse government policies in these regions. Any negative developments in these regions could have an adverse effect on our business, operations and financial performance. For further details, please see "*Our Business – Manufacturing, assembling and commissioning Process*" on page 230.

In the event of a regional slowdown in the economic activity in these regions, or any other developments including social, political or civil unrest, disruption, natural calamities or sustained economic downturn or changes in the policies of the governments of such regions that reduce the demand for our services in such jurisdictions, could require us to incur significant capital expenditure, change our business structure or strategy, which could have an adverse effect on our business, results of operations and financial condition, which are largely dependent on the performance and other prevailing conditions affecting the economies of such regions. While we have not witnessed any loss of business in this region on account of such factors in the nine-month period ended December 31, 2024, and in the last three Fiscals, we cannot assure that such a loss would not occur in the future and would not have an adverse effect on our business, results of operations, and financial condition.

19. A portion of our business focuses on solar agriculture, which depends on both solar energy and its wider adoption among stakeholders. Our revenue from operations attributable to solar agriculture solutions was 60.47% and 16.51% of our revenue from operations for the nine-month period ended December 31, 2024 and in Fiscal 2024 respectively. Any decline in adoption of solar energy as an energy source may lead to a slow down in the sales of our solar agricultural offerings, which could have an adverse effect on our business, financial condition and results of operations

Set forth below is our revenue from operations attributable to solar agriculture solutions for the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022:

Offering	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operation (₹ million)	% of revenue from operation (in %)	Revenue from operation (₹ million)	% of revenue from operation (in %)	Revenue from operation (₹ million)	% of revenue from operations (in %)	Revenue from operation (₹ million)	% of revenue from operation (in %)
Solar agriculture solutions	1,848.48	60.47%	334.72	16.51%	-	-	-	-

Solar energy is inherently intermittent and unpredictable, as fluctuations in weather and sunlight availability can lead to variable power generation. Such inconsistencies may increase operational complexities, necessitate additional investments in energy storage or backup systems, and potentially limit the efficiency of our solar solutions.

Moreover, if farmers and other users are slow to adopt or reluctant to transition to solar-powered systems, our ability to expand within this segment could be adversely affected. Reduced demand for solar agriculture solutions may diminish our revenue, profitability, and growth prospects. Therefore, successfully managing the risks associated with solar energy's intermittent nature and fostering robust market adoption are critical to sustaining the long-term performance of our operations. Any decline in adoption of solar energy as an energy source may lead to a slow down in the sales of our solar agricultural offerings. While we have not faced any such instances in the nine-month period ended December 31, 2024, and last three Fiscals, there is no assurance that similar challenges will not arise in the future, which may adversely affect our business, financial condition, and results of operations.

20. ***Our operating results may fluctuate from quarter-to-quarter due to seasonality, with a noticeable concentration of activities toward the third and fourth quarters of the financial year.***

Our operating results may fluctuate from quarter-to-quarter due to seasonality, with a noticeable concentration of activities toward the third and fourth quarters of the financial year. Project execution often accelerates after the monsoon season, leading to increased turnover between October and March, as stakeholders work to meet annual targets. This period especially the last quarter also typically sees improved collections from receivables.

There can be no assurance that our historical results are an indicator of our future performance. Any delays in project execution or changes in customers' financial cycles during these quarters can disproportionately impact our operational performance, cash flows, and financial results. A weaker-than-expected third or fourth quarter could, therefore, affect our overall performance for the financial year. Such fluctuations may have an adverse effect on our business operations and cash flows, and managing these variations effectively remains critical to maintaining consistent growth. While there have been no such instances in the nine-month period ended December 31, 2024, and last three Fiscals, we cannot assure that such risks will not arise in the future.

21. ***There are outstanding legal proceedings involving our Company, Promoters, and Directors which could have an adverse effect on our business, financial condition and results of operations.***

There are outstanding legal proceedings involving our Company, Promoters and Directors. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. Such proceedings could divert management time and attention and consume financial resources in their defense. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations.

A summary of the outstanding proceedings involving our Company, Promoters and Directors as disclosed in this Draft Red Herring Prospectus, to the extent quantifiable, has been set out below. As on date of this Draft Red Herring Prospectus, there are no outstanding litigations involving our Subsidiaries and Group Company:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations^	Aggregate amount involved* (in ₹ million)
Company						
By our Company	3	Nil	Nil		1	23.83
Against our Company	Nil	9	Nil	Not applicable	Nil	30.97[#]
Subsidiaries						
By the Subsidiaries	Nil	Nil	Nil	Not applicable	Nil	Nil

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations^	Aggregate amount involved* (in ₹ million)
Against the Subsidiaries	Nil	Nil	Nil		Nil	Nil
Directors						
By the Directors	Nil	Nil	Nil	Not applicable	Nil	Nil
Against the Directors	Nil	Nil	Nil		Nil	Nil
Promoters**						
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	Nil	Nil		Nil	Nil

* *To the extent quantifiable.*

** *Does not include matters where our Company, our Subsidiaries or our Promoters have not received notice, summons or other documents*

\# *Excluding additional interest from the date of demand*

For further details of legal proceedings and notices involving our Company, see "*Outstanding Litigation and Material Developments*" beginning on page 419.

We cannot provide assurance that these legal proceedings will be decided in favour of our Company, Directors or Promoters, or that no further liability will arise out of these proceedings. Decisions in such proceedings may have an adverse effect on our business, prospects, reputation, results of operations and financial condition.

If any new developments arise, such as a change in Indian law or rulings against us by appellate Courts or Tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. Any adverse decision in any of these proceedings may have an adverse effect on our business, results of operations and financial condition.

22. ***Our business operations are being conducted on premises leased from third parties which includes our registered and corporate office as well. Our inability to continue operating from such premises, or to seek renewal or extension of such leases may have an adverse effect on our business, operations and financial condition.***

Our business operations are primarily conducted on premises leased from third parties and we may continue to enter into such transactions in future. We have offices and facilities across India, including our Registered Office, warehouses, residential properties, assembly sheds, and Corporate Office in Nagpur, Maharashtra.

The table below provides leased details of our Registered Office, Corporate Office, residential properties, properties for office use, manufacturing, and warehousing facilities:

Sr. No.	Address	Leasehold/ Freehold	Details of Agreement	Whether lessor is related party or not	Duration/period of lease	Nature/Use
1.	401-403, 4th Floor, Mint Chambers, GPO, Fort, Mumbai – 400001, Maharashtra, India	Leasehold	Name of the Licensor: Lexcorp Associates Date of Leave and License Agreement: January 9, 2025	No	36 months from January 9, 2025 to January 8, 2028	Office
2.	M/s Guru Kripa Industries, Plot No. N-97, Nagpur (Hingna) Industrial Area – 440016, Maharashtra, India	Leasehold	Name of the Licensor: Shri Anil Manoharlal Gupta Date of Leave and License Agreement: January 13, 2025	No	3 months from January 13, 2025 to April 9, 2025	Warehouse
3.	Plot No. 34B, Govind Nagar, Opposite Mangal Vihar, Hasampura Road, Bhankrota, Jaipur – 302026, Rajasthan, India	Leasehold	Name of the Licensor: Meera Sharma Date of Rent Agreement: October 16, 2024	No	11 months from October 15, 2024 to September 15, 2025	Warehouse
4.	Plot No. 49,50,51,52, Shri Arjun Nagar, Mukundpura Road, Bhankrota, Jaipur – 302026, Rajasthan, India	Leasehold	Name of the Licensor: Kamlesh Sharma Date of Rent Agreement: April 22, 2024	No	11 months from May 1, 2024 to March 31, 2025	Warehouse

Sr. No.	Address	Leasehold/ Freehold	Details of Agreement	Whether lessor is related party or not	Duration/period of lease	Nature/Use
5.	Plot/Shed/Gala/Unit No. Xl - 72/2, Nagpur (Hingna) Industrial Area, Sonegaon (Seem), Nagpur – 441110 Maharashtra, India	Leasehold	Name of the Lessor: Maharashtra Industrial Development Corporation Date of Lease Agreement: July 16, 2019	No	95 years from March 1, 2017 to March 1, 2112	Warehouse
6.	Godown No. 220, E6, Bhumi World Industrial Park, Pimplas, Bhiwandi, Thane - 421311, Maharashtra, India	Leasehold	Name of the Licensor: Prajapati Ramesh Jagdish Date of Leave and License Agreement: August 19, 2022	No	36 months from August 22, 2022 to August 21, 2025	Warehouse
7.	Plot No. 53,54,55,55A, Shri Arjun Nagar, Mukundpura Road Basri, Bhankrota, Jaipur – 302026, Rajasthan, India	Leasehold	Name of the Licensor: Suresh Sharma Date of Rent Agreement: April 22, 2024	No	11 months from May 1, 2024 to March 31, 2025	Warehouse
8.	Plot No. K-60, Nagpur Industrial Area, Nildoh, Hingna, Nagpur - 440016, Maharashtra, India	Leasehold	Name of the Lessor: Maharashtra Industrial Development Corporation Date of Final Lease Deed: March 21, 2006	No	95 years from March 1, 1995 to March 1, 2090	Factory and Registered Office
9.	Shree Vasant Enclave, Plot No. 81, The Posts & Telegraphs Employees Co-operative Housing Society Limited, Cement Road, Pratap Nagar, 440022, Maharashtra, India	Leasehold	Name of the Licensor: Lexcorp Associates Date of Leave and License Agreement: April 18, 2024	No	60 months from April 1, 2024 to March 31, 2029	Corporate Office
10.	Shed No. W-37, Ground Floor, Hingna Road, MIDC Industrial Area, Nagpur – 440016, Digadoh, Maharashtra	Leasehold by our Material Subsidiary	Name of the Licensor: M/s. Garden Enterprises Date of Leave and License Agreement: July 7, 2023	Yes	60 months from July 1, 2023 to June 30, 2028	Warehouse
11.	House no 11, Kasar Villa, near peer bazar Vivekanandpuram, Osmanpura, Kranti Chowk, Aurangabad – 431005, Maharashtra	Leave and license	Name of the Licensor: Jyotsna Pradeep Tapar & Sanket Pradeep Tapar HUF. Date of Leave and License Agreement: August 15, 2024	No	11 months from August 15, 2024 to July 14, 2025	Guest house

The table below set forth the details of total lease rent paid along with percentage of total expenses for the nine-month period ended December 31, 2024, and last three Fiscals:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total lease expense on short term leases (₹ million)	8.60	7.93	6.45	4.83
Percentage of total expenses (in %)	0.40%	0.58%	0.75%	0.69%

For further information, see *"Our Business - Properties"* on page 241. We cannot assure you that we will be able to continue operating out of these premises or renew the leases on favourable terms, or at all. Any inability to renew these leases or secure alternative premises in a timely manner may adversely impact our business, operations and financial condition.

Given that our operations are conducted primarily on premises leased from third parties, any encumbrance or adverse impact, or deficiency in, the title, ownership rights or development rights of the owners from whose premises we operate, breach of the contractual terms of any lease or leave and license agreements, or any inability to renew such agreements on acceptable terms or at all may adversely affect our business and results of operations. In the event of relocation, we may be required to obtain fresh regulatory licenses and approvals. Further, we cannot assure you that in the event of relocation we will be able to find suitable locations. Until we receive these, we may suffer disruptions in our operations and our business which may also adversely affect our business, results of operations and financial condition. While we have not faced any disruptions to our operations or business due to an inability to continue operating from leased premises or to seek renewal or extension of such leases in the nine-month period ended December 31, 2024, and the last three Fiscals, we cannot assure you that we will not encounter such issues in the future. Any failure to continue operating out of our existing premises or to renew our leases on favourable terms, or at all, could adversely affect our business, financial condition, and results of operations.

23. ***There have been certain instances of delays in payment of statutory dues by our Company in the past. Any delay in payment of statutory dues by our Company in future may result in the imposition of penalties and in turn may have a material adverse effect on our business, results of operations and financial condition.***

Our Company is required to pay certain statutory dues including provident fund contributions and employee state insurance contributions under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948, respectively, and professional taxes. The table below sets forth the details of the statutory dues paid by our Company in relation to its employees for the periods indicated below:

Particulars	Nine months ended December 31, 2024	Fiscals		
		2024	2023	2022
Provident Fund (₹ million)	2.16	1.81	1.30	1.01
ESIC (₹ million)	0.11	0.08	0.06	0.04
Tax Deducted at Source on salaries ("**TDS**") (₹ million)	4.62	18.08	17.63	3.41
Tax Deducted at Source on other than salaries (₹ million)	11.73	11.90	5.31	4.63
Professional Tax (₹ million)	0.40	0.35	0.29	0.28
Gratuity (₹ million) (1)	-	-	-	-
Value Added Tax (₹ million)	-	-	-	-
Goods and Service Tax (2) (₹ million)	475.63	371.12	142.62	82.98
Income Tax (3) (₹ million)	86.94	220.52	99.00	31.47

Note:

(1) No gratuity benefits are paid by our Company during the relevant period/year

(2) Details of the total payment for goods and services tax include payment of tax by utilising input tax credit plus in cash.

(3) Income tax paid includes both advance tax paid and tax deducted source by our customers.

The table below sets out details of the delays in statutory dues payable by our Company:

Nature of statutory dues	Nine months period ended December 31, 2024			Fiscal 2024			Fiscal 2023			Fiscal 2022		
	Number of instances	Due amount including interest (in ₹ million)	Number of days	Number of instances	Due Amount including interest (in ₹ million)	Number of days	Number of instances	Due Amount including interest (in ₹ million)	Number of days	Number of instances	Due amount including interest (in ₹ million)	Number of days
Goods and Service Tax(1)(3)	-	-	-	31	13.75	1 to 54	41	3.90	1 to 61	81	19.62	1 to 33
Tax Deducted at Source(1)	38	1.74	29 to 60	25	2.08	2 to 62	39	2.49	1 to 153	9	0.62	1 to 2
Provident Fund(1)	-	-	-	-	-	-	-	-	-	-	-	-
Employee State Insurance Corporation(1)	2	0.03	1	-	-	-	1	0.00*	1	-	-	-
Value Added Tax (1)	-	-	-	-	-	-	-	-	-	-	-	-
Professional Tax (1)	4	0.16	7 to 62	9	0.23	14 to 167	11	0.26	29 to 333	-	-	-
Income Tax(2)	3	279.75	183-184	4	133.74	183-319	4	44.23	197 - 289	4	17.04	198 – 379

**Amount less than ₹ 5,000*

(1) Delays were primarily due to technical issues and administrative errors and subsequently have been paid

(2) *Delay in advance tax including interest thereon*

(3) *Delay in goods and services tax is considered only for the cash payment portion, on which interest is charged and not on the delay return filing where input tax credit was available.*

If we are unable to pay our statutory dues on time, we could be subject to penalties which could impact our financial condition and results of operations. We cannot assure you that such delays in payment of statutory dues will not occur in future or we will not receive any notice seeking an explanation or an order imposing a penalty in the future in relation to such delays.

24. ***Projects undertaken through a consortium or collaboration or partnerships may be delayed on account of the performance of the consortium or partner or, in some cases, significant losses from such consortium or partnership may have an adverse effect on our business, results of operations and financial condition.***

We often undertake projects in collaboration with consortiums or partnerships particularly for large-scale initiatives in complex sectors such as government contracts. These partnerships are essential to our ability to bid for and execute projects, including those incorporating advanced technologies like reverse osmosis, nanotechnology, solar energy, and IoT. However, our involvement in consortiums or partnerships exposes us to several risks, especially concerning the performance and actions of our partners.

The success of these projects is highly dependent on the capabilities, performance, and financial stability of our partners. If our partners do not perform as expected or fail to meet their obligations, whether due to operational inefficiencies, financial difficulties, or failure to comply with project specifications, it could result in delays in project completion, cost overruns, or, in some cases, project cancellation. These delays can have a significant adverse impact on our business, including financial penalties, reputational damage, and the loss of future business opportunities.

In particular, our recent collaborations, including those involving technologies like solar-powered agricultural pumps, IoT-enabled water management systems, and desalination technologies, are dependent on strong and reliable partner performance. For example, we are currently leveraging technologies from organizations like the Council of Scientific and Industrial Research ("**CSIR**") and its institutes, such as the CSIR-CSMCRI, to develop van-mounted desalination units with exclusive commercial rights. Any underperformance by these partners in providing technological support could impact the success of these projects. Moreover, in the event that a partner experiences significant financial losses or insolvency, it could directly affect the financial stability of the consortium or partnership, leading to an adverse impact on our own financial results. If we are unable to manage the risks associated with our partners' underperformance or financial issues, it could lead to substantial losses, reduced profitability, and potential legal disputes. The table set forth below sets out details of the number of consortiums and their contribution to our revenue for the nine-month period ended December 31, 2024 and last three Fiscals:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Number of consortiums	5	3	-	-
Revenue contribution (in ₹ million)	2,089.02	421. 72	-	-
% to revenue from operations (in %)	68.34	20.80	-	-

Given that many of our consortium projects are crucial to our business growth and strategic objectives, any disruptions caused by partner-related issues could affect our ability to meet deadlines and deliver on project expectations. This, in turn, could adversely affect our financial performance, overall business prospects, and market reputation. We carefully select consortium partners based on expertise and market standing, continuously monitor performance, and establish clear contractual responsibilities to mitigate risks. While we have not witnessed any loss of business on account of such factors in the nine-month period ended December 31, 2024, and in last three Fiscals, however, we cannot guarantee that our measures will fully protect us from the risks inherent in consortium projects and may in future have an adverse effect on our business, results of operations and financial condition.

25. ***Not all of our Independent Directors have prior experience with listed entities, which may require additional time for them to fully understand their roles and responsibilities. This could potentially affect our corporate governance standards, investor confidence, and operational performance.***

Our Board of Directors includes Independent Directors who are serving as directors of a listed company for the first time. A majority of our Independent Directors do not have prior experience as directors of listed entities in India or internationally. While our directors bring valuable expertise and experience from various industries, they may require additional time to fully understand and comply with the regulatory requirements, governance standards, and responsibilities applicable to listed companies in India.

Any lack of experience of our directors in managing the specific demands of a listed entity, including compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other statutory requirements, may affect the efficiency of decision-making processes and the overall governance of our Company. Furthermore, any lapses or delays in implementing governance frameworks or ensuring compliance with regulatory obligations could lead to penalties, reputational loss, and adverse effects on our business, financial condition, and results of operations.

We are committed to providing the necessary training and resources to our directors to familiarize them with the requirements of listed entities. However, we cannot assure you that their inexperience will not impact our corporate governance standards, investor confidence, or operational performance.

26. We plan to diversify our offerings of various solutions and expand geographic presence domestically and internationally. If such expansion does not lead to increases in our revenue from operations, it could have an adverse effect on our business, results of operations, financial condition and cash flows.

We aim to diversify our solutions portfolio and expand our geographic footprint domestically and internationally. Our focus remains on addressing critical environmental challenges such as water scarcity, renewable energy adoption, and agricultural sustainability. We are also entering the groundwater rejuvenation space through defunct borewell recharge technologies and introducing solar cold storage solutions to reduce post-harvest losses, directly benefiting the agricultural supply chain. Strategically, we aim to prioritize on larger projects with high internal rates of return ("**IRR**") and lower execution risks, enhancing operational efficiency and ensuring consistent returns. By undertaking high-value projects, we intend to strengthen our pre-qualification credentials, positioning us to secure even larger opportunities in the future while maintaining a focus on core areas such as water and solar agriculture.

Domestically, we plan to deepen our reach in high-demand states like Maharashtra, Karnataka, Tamil Nadu, Rajasthan, and Madhya Pradesh, while expanding internationally to emerging markets in Africa. Our solutions for water and wastewater treatment are designed to tackle the severe water quality issues that are widespread throughout East and Sub-Saharan Africa. These areas struggle with critical challenges such as excessive fluoride and arsenic contamination and limited access to potable drinkable water. Leveraging our specialized knowledge, we are well-equipped to provide scalable and effective solutions that enhance health and living standards.

However, we cannot assure you that such expansion and diversification will result in a corresponding increase in our revenues. There are several factors that may affect the demand, including those beyond our control, such as general economic conditions, policies of the state and central government or our failure to accurately predict customer demand or understand market requirements. The occurrence of such events could have an adverse effect on our business, results of operations, financial condition and cash flows. In addition, we may encounter various challenges such as issues with procurement of the equipment or machinery and increased costs of equipment while executing our expansion plans and we cannot assure you that the proposed expansion plan will be completed as planned or on schedule, or at all. If we experience significant delays in the implementation of our expansion and diversification plans, we may also face challenges such as supply chain disruptions, fluctuating equipment costs, and other unforeseen delays, which could impact our profitability. This may lead to deviations from planned timelines or budgets, affecting our overall financial stability or if there are significant cost overruns, the overall benefit of such plans to our revenues and profitability may decline. We confirm that no such instances of significant delays, cost overruns, or supply chain disruptions have occurred in the nine-month period ended December 31. 2024 and last three Fiscals that have materially impacted our financial condition, however, if the expenditure that we incur does not produce anticipated or desired results, our profitability and financial condition will be adversely affected. For further details please see, "- ***We are dependent on our sub-contractors to perform various portions of the contracts awarded to us. Such dependency exposes us to certain risks such as availability and performance of our sub-contractors that may have an adverse effect on our business, results of operations and financial condition***" on page 44.

27. Our Promoters have provided personal guarantees for certain borrowings obtained by us, and any failure or default by us to repay such loans could trigger repayment obligations on our Promoters, which may impact our Promoters' ability to effectively service their obligations as our Promoters and thereby, adversely impact our business and operations.

Certain of our borrowings are backed by personal guarantees provided by our Promoters. For further details in relation to our borrowings and details of guarantees given by our Promoters, see "*History and Certain Corporate Matters- Guarantees provided to third parties by our Promoters*" on page 251.

The details of personal guarantees provided by our Promoters in relation to our borrowings, and outstanding as of December 31, 2024, are stated below:

Promoter	Name of the Lender	Guarantees issued in favour of	Guarantee Amount (in ₹ million)	Type of Borrowing/facility	Borrower	Reason for the Guarantee	Obligations on our Company	Amount outstanding as of December 31, 2024 (in ₹ million)
Vinayak S. Gan and Abhijeet V. Gan	IndusInd Bank Limited	IndusInd Bank Limited	550	50 million being cash credit; and 500 million being non-fund based bank guarantee / letter of credit (fungible)	Rite Water Solutions (India) Limited	The Promoters had given the guarantee to IndusInd Bank Limited for the due repayment of guaranteed amounts in the event the company fails to repay the same upon the occurrence of a default	Company is the borrower	195.97

Any default or failure by us to repay the loans in a timely manner or at all could trigger repayment obligations on the part of our Promoters in respect of such loans. This, in turn, could have an impact on the Promoters' ability to effectively service their obligations as the Promoter of our Company, thereby having an adverse effect on our business, results of operations and financial condition.

Further, in the event that our Promoters withdraw or terminate the guarantees, the lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our business, results of operations and financial condition. While we have not faced any such risks in the past and have not experienced any issues related to the withdrawal or termination of guarantees by our Promoters we cannot guarantee that such issues will not arise in the future.

28. ***Under-utilization of our manufacturing and assembly capacities and an inability to effectively utilize our manufacturing and assembly capacities could have an adverse effect on our business, future prospects and future financial performance.***

Information relating to the installed capacity and capacity utilization of our manufacturing facility included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management that have been taken into account by Hemant Ambaselkar, an independent chartered engineer, in the calculation of the installed capacity and capacity utilization of our manufacturing facility.

The table below sets forth the capacity utilization across our manufacturing facility as of December 31, 2024 and March 31, 2022, 2023 and 2024, respectively:

Facility	Nine-month period ended December 31, 2024#			Fiscal 2024			Fiscal 2023			Fiscal 2022**		
	Installed capacity (in number of units)	Actual production (in number of units)	Capacity utilisation (in %)	Installed capacity (in number of units)	Actual production (in number of units)	Capacity utilisation (in %)	Installed capacity (in number of units)	Actual production (in number of units)	Capacity utilisation (in %)	Installed capacity (in number of units)	Actual production (in number of units)	Capacity utilisation (in %)
Electro Chlorinators	4,500.00	4,051.00	90.02%	6,000.00	5,050.00	84.17%	6,000.00	3,100.00	51.67%	6,000	0.00	0.00%

* *As certified by Ambaselkar Associates L.L.P, Independent Chartered Engineer, by way of their certificate dated February 10, 2025*

\# *Not annualised*

** *The actual production for Fiscal 2022 is nil as our Company did not receive any orders for production of Electro Chlorinators during Fiscal 2022.*

Notes:

(i) The information relating to the installed capacity as of the relevant year/period indicated above are based on various assumptions and estimates that have been considered for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of manufacturing industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing facility.

(ii) The actual production details for the relevant year/period mentioned are a function of the orders received for the relevant year/period.

(iii) The capacity utilization has been calculated on actual production during the relevant year/period divided by the installed capacity of the manufacturing unit for the relevant year/period.

For further details on our manufacturing facility and capacities, see "*Our Business – Capacity and Utilization*" on page 234. Our ability to maintain our profitability depends on our ability to maintain high levels of capacity utilization and there is no assurance that our capacities will be adequately utilized. Capacity utilization is affected by our ability to accurately forecast customer demand, to carry out uninterrupted operations, the availability of raw materials, and industry/ market conditions. In the event there is a decline in the demand for our offerings, or if we face prolonged disruptions at our facility including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, or an inability to fully realize the benefits of our recently implemented capacity expansion, could materially and adversely impact our business, growth prospects and future financial performance.

29. Our inability to effectively manage our growth or to successfully implement our business plan and growth and expansion strategy could have an adverse effect on our business, results of operations and financial condition.

We are the only Clean-tech company in India with a diverse offering for rural transformation, focused on water solutions, solar agriculture solutions, and internet of things ("**IoT**") solutions for energy, agriculture, and water management sectors. Leveraging our experience of delivering solutions in rural and remote areas, we have recently forayed into the solar agriculture solutions, becoming one of the emerging players, with ~8.09K solar pumps installed as on December 31, 2024. Further, we have also leveraged our rural execution strengths to become one of the early players in delivering IoT Solutions for large scale projects. *(Source: 1Lattice Report)*

The table set forth below are certain of our financial and revenue related metrics for nine-month period ended December 31, 2024, Fiscals 2022, 2023 and 2024 are as provided below:

(In ₹ million, unless indicated otherwise)

Particulars	Unit	As at and for the nine-month period ended December 31, 2024	As at and for Fiscal		
			2024	2023	2022
Operating KPIs					
Total Order Book(1)	₹ million	17,231.34	16,377.60	3,663.42	1,587.39
Order Book Split					
A) Water Solutions	₹ million	4,870.71	4,759.56	3,663.42	1,587.39
B) Solar Agriculture Solutions	₹ million	7,545.82	8,949.49	-	-
C) IoT Solutions	₹ million	4,814.81	2,668.56	-	-
Financial KPIs					
Revenue from Operations(2)	₹ million	3,056.79	2,027.49	1,194.34	768.14
Revenue Growth(3)	%	NA	69.76%	55.48%	NA
Revenue from Operations Split					
A) Water Solutions	₹ million	910.91	1,605.41	1,194.34	768.14
B) Solar Agriculture Solutions	₹ million	1,848.48	334.72	-	-
C) IoT Solutions	₹ million	297.40	87.36	-	-
EBITDA(4)	₹ million	971.49	704.97	364.94	86.99
EBITDA Margin(5)	%	31.78%	34.77%	30.56%	11.32%
PAT(6)	₹ million	715.06	492.80	250.21	86.75
PAT Margin(7)	%	23.39%	24.31%	20.95%	11.29%
Return on Capital Employed*(8)	%	26.96%	27.22%	36.66%	9.81%
Return on Equity*(9)	%	23.39%	21.04%	26.85%	12.72%
Cashflow from Operations(10)	₹ million	(1,162.17)	(219.18)	317.77	0.96
Net Debt to EBITDA Ratio*(11)	In times	0.30	(1.32)	(0.67)	0.48
Trade Receivable Days*(12)	In days	162	52	53	140
Inventory Days*(13)	In days	74	37	20	15
Cash Conversion Cycle*(14)	In days	186	38	11	98
Total Borrowings(15)	₹ million	459.29	186.46	43.46	167.62
Debt to equity ratio*(16)	In times	0.15	0.08	0.05	0.25

* *Not annualised for nine-months period ended December 31, 2024*

Notes: -

1. *Order book comprises anticipated revenue from the unexecuted portions of existing contracts (including signed contracts for which all pre-conditions for entry into force have been met and letters of acceptance issued by the customer prior to execution of the final contract).*
2. *Revenue from Operations is as per the Restated Consolidated Financial Statements for the relevant periods / year.*

3. *Revenue growth (%) is calculated as a percentage of Revenue from Operations of the relevant year/ period minus Revenue from Operations of the preceding year/ period, divided by Revenue from Operations of the preceding year/ period*
4. *EBITDA is calculated as profit before exceptional items and tax minus other income (including share of profit of associate) plus finance costs, depreciation and amortisation*
5. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations*
6. *PAT means profit for the year/ period as appearing in the Restated Consolidated Financial Statements for the relevant periods / year*
7. *PAT Margin (%) is calculated as Profit for the year/ period as a percentage of Revenue from Operations*
8. *Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of Total Equity and Total Borrowings. EBIT is calculated as EBITDA minus depreciation and amortization*
9. *Return on Equity is calculated as profit for the year/ period divided by total equity*
10. *Net cash generated from operating activities for the year/ period as per the Restated Consolidated Financial Statements for the relevant periods / year.*
11. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings minus total of cash and cash equivalents, bank balances other than cash and cash equivalents and current investments*
12. *Trade receivable days are calculated as trade receivables divided by Revenue from operations multiplied by 365 days.*
13. *Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days.*
14. *Cash conversion cycle is calculated as inventory days plus trade receivable days minus trade payable days. Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days. Trade receivable days are calculated as trade receivables divided by Revenue from operations multiplied by 365 days. Trade payable days are calculated as trade payable divided by Revenue from operations multiplied by 365 days*
15. *Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*
16. *Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*

As part of our growth plan, among others, we seek to expand and diversify. See "*Our Business – Strategies*" on page 217. Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates or our inability to meet the expectations of our stakeholders could have an adverse effect on our business, results of operations and financial condition. The risks involved in entering new areas and expanding operations may be higher than expected, and we may face significant competition in such areas. Competing successfully in international markets may require additional resources due to the unique aspects of each geographic market. Some of our competitors in such areas may have greater capital and financial and other resources, existing reputation and brand, greater market penetration and broader offerings and services range and larger, stronger sales force than us which may make their offerings more competitive than ours in a particular segment. We cannot assure you that we will be able to grow our business in such new geographic markets. While we have not faced any such instances in the nine-month period ended December 31, 2024 and in last three Fiscals, our inability to grow our business in such additional geographic markets could have a material adverse effect on our business, operations, prospects or financial results.

We cannot assure you that our existing or future management, operational and financial systems, procedures and controls will be adequate to support our future operations or establish or develop business relationships beneficial to our future operations. Failure to manage growth effectively could have an adverse effect on our business, results of operations and financial condition.

30. ***Failure to introduce new technologies or acquire new or improved manufacturing and assembly equipment could adversely affect our business, results of operations and financial condition.***

Technological innovation is an important aspect of our operations. Our business success and competitive position are closely dependent on our ability to adopt new technologies. Continuous innovation and technological advancement are critical to maintaining operational efficiency, improving product quality, and meeting evolving customer demands. Failure to introduce new technologies or to acquire, upgrade, or improve manufacturing and assembly equipment in a timely manner may result in diminished productivity, reduced competitiveness, and higher operating costs.

We continuously integrate the latest advancements into our offerings, addressing critical environmental challenges with solutions that are scalable and adaptable to future needs. To facilitate this, we have established a research and development framework through partnerships with leading research institutes. These collaborations allow us to transition laboratory innovations into field-ready solutions. The prototypes designed and developed by these research institutes are further advanced and manufactured by us, enabling the practical application and use of technology. These partnerships are vital for enhancing our capabilities and ensuring we stay at the forefront of industry innovation.

We actively seek strategic collaborations with research institutions and industry experts to leverage knowledge and resources, further augmenting our technological capabilities. These collaborations enable us to continuously improve and adapt our technology platforms, allowing us to respond to evolving industry trends, emerging technical standards, and market demands. Moreover, maintaining and improving our competitive edge in manufacturing and assembly equipment is critical. This process is subject to several factors, including changing industry standards and regulatory requirements. Our ability to effectively integrate new technologies and manufacturing and assembly processes will play a key role in our ability to remain competitive. As a result, we cannot assure you that we will remain successful as our competitors may create or adopt technologies similar to ours and develop these technologies to achieve capabilities that are superior to ours. If we are unable to adapt and retain our technical competitive edge in a cost-effective and timely manner, our results of operations and overall business prospects may be materially and adversely affected.

31. ***Our Statutory Auditor has included certain emphasis of matters in their report on our financial statements. Any similar remarks or emphasis of matters in the future may occur and affect our results of operations.***

Our statutory auditors have included the following emphasis of matter in their audit report on our financial statements for the following periods:

Period	Nature of reservations, qualifications, adverse remarks or matters of emphasis	Details of reservations, qualifications, adverse remarks or matters of emphasis	Company's response to reservations, qualifications, adverse remarks or matters of emphasis	Impact on the financial statements and financial position of our Company
Audited Special Purpose Consolidated Interim Financial Statements for nine months ended 31 December 2024	Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use	We draw attention to note 36 of the Special Purpose Consolidated Interim Financial Statements about the exit proposal agreed between the Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the financial statements. We draw attention to Note 2.1(A) to Special Purpose Consolidated Interim Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Interim Financial Statements and non-inclusion of comparative amounts for the nine months period ended 31 December 2023. These Special Purpose Consolidated Interim Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statement of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Company as required by Sub-section (1) of Section 26 of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations"), the SEBI Communications and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Interim Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our Opinion is not modified in respect of the above matters.	NA	NA
The Audited Consolidated Financial Statements for Financial Year 2024	EOM observation	We draw attention to note 40 of the financial statement about the exit proposal agreed between the Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the books for FY23 and FY24. Our opinion is not modified with respect to above matter.	NA	NA
The Audited Consolidated Financial Statements for	Other matter	The financial information of the Group for the year ended 31 March 2023 and the transition date opening balance sheet as at 01 April 2022 included in the consolidated financial statements, are based on the	NA	NA

Period	Nature of reservations, qualifications, adverse remarks or matters of emphasis	Details of reservations, qualifications, adverse remarks or matters of emphasis	Company's response to reservations, qualifications, adverse remarks or matters of emphasis	Impact on the financial statements and financial position of our Company
Financial Year 2024		previously issued statutory financial statements for the years ended 31 March 2023 and 31 March 2022 respectively prepared in accordance with the Companies (Accounting Standards) Rules, 2021, have been audited by us and we issued our audit opinion vide our audit reports dated 16 September 2023 and 29 September 2022 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Group on transition to Ind AS have been audited by us. Our opinion is not modified in respect of this matter.		
The Audited Special Purpose IndAS Financial Statements for Financial Year 2023	Emphasis of Matter - Basis of Accounting, Restriction on Distribution and Use	(i) We draw attention to note 37 of the Special Purpose Consolidated Ind AS Financial Statements about the exit proposal agreed between the Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the financial statements. (ii) We draw attention to Note 2.1(A) to Special Purpose Consolidated Ind AS Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Ind AS Financial Statements. These Special Purpose Consolidated Ind AS Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statements of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Company as required by Sub-section (1) of Section 26 of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. The Board of Directors of the Company at their meeting held on 16 September 2023 had approved a set of general-purpose consolidated financial statements for the year ended 31 March 2023, prepared in accordance with the accounting standards (AS) notified under Section 133 of the Companies Act 2013 (the "Act") and other applicable accounting practices and we had issued our report thereon covering required matters dated 16 September 2023 under our UDIN 23131178BGTQFK4283. Further, this report should not be construed as withdrawal of or modification of our report dated 16 September 2023 issued on	NA	NA

Period	Nature of reservations, qualifications, adverse remarks or matters of emphasis	Details of reservations, qualifications, adverse remarks or matters of emphasis	Company's response to reservations, qualifications, adverse remarks or matters of emphasis	Impact on the financial statements and financial position of our Company
		general-purpose consolidated Financial Statements of the Group. Our Opinion is not modified in respect of the above matters.		
The Audited Special Purpose Ind AS Financial Statements for Financial Year 2022	Emphasis of Matter - Basis of Accounting, Restriction on Distribution and Use	We draw attention to Note 2.1(A) to Special Purpose Consolidated Ind AS Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Ind AS Financial Statements and non-inclusion of comparative amounts for the year ended 31 March 2021. These Special Purpose Consolidated Ind AS Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statements of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Company as required by Sub-section (1) of Section 26 of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. The Board of Directors of the Company at their meeting held on September 29, 2022 had approved a set of general-purpose consolidated financial statements for the year ended March 31, 2022, prepared in accordance with the accounting standards (AS) notified under Section 133 of the Act and other applicable accounting practices and we had issued our report thereon covering required matters dated September 29, 2022 under our UDIN 22131178AXTKYS7382. Further, this report should not be construed as withdrawal of or modification of our report dated September 29, 2022 issued on general-purpose consolidated financial statements of the Group. Our Opinion is not modified in respect of the above matter.	NA	NA

* *As certified by PKF Sridhar and Santhanam LLP, Chartered Accountants, with firm registration number 003990S/S200018, pursuant to their certificate dated February 10, 2025.*

For further information, see "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 36*" on page 358. We cannot assure you that our Statutory Auditors' observations for any future financial period will not contain similar remarks or emphasis of matters, and that such matters will not otherwise affect our results of operations.

32. ***We are dependent on our Promoters, Vinayak S. Gan and Abhijeet V. Gan for the conduct and growth of business of our Company, given their industry knowledge and expertise in strategic business decision. Their disassociation from our Company in future may adversely affect our business and our growth prospects.***

Our Promoters, Vinayak S. Gan has 42 years of experience as an entrepreneur and is currently involved in human resource management, project procurement, operational framework, manpower planning, and handling the processes and policies of our Company and Abhijeet V. Gan is currently involved in business development, project administration and execution, providing strategic advice to the Board and has 18 years of cumulative experience in water, solar and IoT sectors. We rely significantly on their industry knowledge and expertise in strategic business decisions. Their disassociation from our Company may adversely affect our business, results of operations and could seriously impair our ability to continue to manage and expand the business.

33. ***Our business and growth prospects are dependent on the expertise, guidance and industry knowledge of our directors to smooth functioning of our operations, and their disassociation from our Company could adversely impact our operations.***

Our Company's Board of Directors plays a critical role in providing strategic guidance, ensuring effective governance, and overseeing the operations of our business. Any changes in the composition of our Board, including the resignation, removal, or replacement of existing directors, or the appointment of new directors, could result in a transition period that may disrupt our decision-making processes or strategic initiatives. Additionally, the departure of key directors may lead to the loss of institutional knowledge, valuable industry expertise, or key relationships with stakeholders, which could adversely impact our operations and business performance. While we strive to ensure smooth transitions and succession planning, we cannot guarantee that such changes will not affect investor confidence, our reputation, or our ability to effectively execute our business strategies. For changes in the Board of Directors of our Company in last years, please see "*Our Management – Changes to our Board in the last three years*" on page 262.

Furthermore, the appointment of new directors, while aimed at strengthening the Board, may result in varying perspectives and adjustments to our strategic direction. Any inability to align these perspectives with the existing objectives of our Company could have a material adverse effect on our business, financial condition, and results of operations.

34. ***Non-compliance with and changes in any of the applicable laws, rules or regulations, including safety, health, environmental and labour laws could have an adverse effect on our business, results of operations and financial condition and cash flows.***

We are required to obtain and maintain certain approvals, registrations, permissions and licenses from regulatory authorities, to carry out/ undertake our operations. These approvals, licenses, registrations and permissions may be subject to numerous conditions. If we fail to obtain and maintain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions or it is claimed that we have breached any such conditions, our license or permission for carrying on a particular activity may be suspended or cancelled and we may not be able to carry on such activity, which could adversely affect our business, results of operations, cash flows and financial condition. For example, we are required to maintain licenses under various health and safety legislations and regulations which, among others, include registration under the authorizations under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 framed under Environment Protection Act, 1986, issued by the central pollution control board and the respective state pollution control boards. As on the date of filing this Draft Red Herring Prospectus, none of our material approvals and registrations are expired or have been rejected by any governmental authority.

For further information on the nature of approvals and licenses required for our business, see "*Government and Other Approvals" and "Key Regulations and Policies*" on page 423 and 243. In addition, we have, and may need to in the future, apply for certain additional approvals, including the renewal of approvals, which may expire from time to time.

While we continue to operate in compliance with applicable regulatory requirements, there can be no assurance that these approvals would be transitioned or reissued in a timely manner, or at all. Failure to obtain or renew such approvals and licenses in a timely manner would make our operations non-compliant with applicable laws and may result in imposition of penalties by relevant authorities and may also prevent us from carrying out our business. Our licenses and approvals are subject to various conditions, including periodic renewal and maintenance standards. Any actual or alleged failure on our part to comply with the terms and conditions of such regulatory licenses and registrations could expose us to legal action, compliance costs or liabilities, or could affect our ability to continue to operate at the locations or in the manner in which we have been operating thus far.

35. ***We purchase raw materials on real time basis post receipt of purchase orders or acceptance of tenders, and if we fail to manage our inventory effectively and due to any disruption in supply chain, our business, profitability and results of operations could be adversely affected.***

Our business relies significantly on bidding for tenders from government clients, which involves various management activities, such as detailed project studies and cost estimations. Unlike traditional inventory-based operations, our business model does not involve purchasing raw materials or inventory based on sales forecasts. Instead, raw materials, such as SMPS, AC/DC converters, invertors and batteries, cells, power supply units, dosing pumps, plastic tanks, solar pumps, electro chlorination, solar panel, photovoltaic equipment, are procured from vendors and suppliers on a real-time basis, following the receipt of confirmed orders or acceptance of tenders. However, we maintain reasonable inventory levels especially in solar vertical as Company may lose business if not maintained at adequate levels.

This approach minimizes the risks associated with avoidable excess inventory, such as additional storage costs, interest expenses, or liquidation losses. However, it exposes us to other risks, such as delays in procurement or supply chain disruptions, which could adversely affect project timelines and completion. Inaccurate cost estimations during the bidding process could lead to reduced profitability and lower-than-expected returns, particularly since the majority of our projects are tender-based. For example, any miscalculation in the scope, timeline, or required resources during the bidding or execution stages could result in cost overruns, penalties, or delays, thereby negatively impacting our business, operations, and financial condition. Additionally, while our real-time procurement strategy reduces storage and holding costs, it increases our dependency on the timely availability of raw materials and components. Any disruptions in the supply chain, such as vendor delays, transportation bottlenecks, or adverse weather conditions, could hinder our ability to fulfill project requirements within stipulated deadlines, leading to potential penalties or loss of client trust.

Our business also faces risks related to logistical challenges, such as handling errors, labor strikes, or damage during transit, which could delay the delivery of raw materials to our project sites. Since we do not maintain significant buffer inventory, any such delays could impact project schedules and operational efficiency, resulting in reduced customer satisfaction and potential loss of business. These factors could ultimately result in a decline in revenue, profitability, and market reputation. Following is the level of inventory of materials, work in progress and finished goods, for the period stated therein:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Inventories (includes goods in transit) (₹ million)	623.80	206.15	58.26	30.93
Work in progress (₹ million)	-	-	-	-
Finished goods (₹ million)	-	-	7.70	-
Percentage of revenue from operations (%)	20.41%	10.17%	5.52%	4.03%

While our operational model mitigates the risks of excess inventory, it also heightens the importance of efficient supply chain management and accurate project planning. Any lapse in these areas could adversely affect our business prospects, profitability, and financial performance. While we have not faced any such risks or issues in the past, and we continue to maintain effective systems to manage our supply chain and project planning processes, we cannot assure you that we will not encounter such issues in the future.

36. ***Our indebtedness and the conditions and restrictions imposed by our financing agreements and any non-compliance thereof may lead to, among others, suspension of further drawdowns, which could have an adverse effect on our business, results of operations and financial condition.***

We have entered into various financing arrangements with banks, such as term loans and working capital facilities, including fund based and non-fund based borrowings. As on December 31, 2024, our total indebtedness under the various financing arrangements aggregated to ₹ 731.31 million.

Set out below are details of our financial indebtedness for the dates indicated:

(in ₹ million unless otherwise indicated)

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Borrowings (non-current)	6.22	6.21	8.24	9.94
Borrowings (current)	398.21	166.11	29.14	151.69
Bank guarantees	326.88	267.20	154.71	164.75
Total Financial indebtedness	731.31	439.52	192.09	326.38

For further information on the financial indebtedness of our Company, see "*Financial Indebtedness*" on page 414.

Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to manage our business operations and generate sufficient cash flows to service such debt. Our outstanding indebtedness and any additional indebtedness we incur may have significant consequences, requiring us to use a significant portion of our cash flow from operations and other available cash to service our indebtedness, thereby reducing the funds available for other purposes, including capital expenditures, acquisitions, and strategic investments; reducing our flexibility in planning for or reacting to changes in our business, competition pressures and market conditions; and limiting our ability to obtain additional financing for working capital, capital expenditures, or other general corporate and other purposes.

Some of the financing arrangements entered into by us include conditions that require our Company to obtain respective lenders' consent prior to carrying out certain activities. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents from certain lenders include, among others, changes to the capital structure of our Company, changes to the management of our Company and changes in the memorandum and articles of association of our Company. While we have obtained requisite approvals from the banks and financial institutions for the purpose of this Offer, any failure to comply with such covenants or obtain consents may restrict or delay certain actions or initiatives that we may propose to take from time to time and could have significant consequences on our business and operations.

While we have not faced any instances of breach of financial covenants that led to a material adverse effect in the nine-month period ended December 31, 2024, and in the last three Fiscals, any failure on our part in the future to satisfactorily observe the covenants under our financing arrangements or to obtain necessary waivers may lead to the termination of our credit facilities, acceleration of amounts due under such facilities, suspension of further access/withdrawals, either in whole or in part, for the use of the facilities and/or restructuring of our debt, adversely impacting our business, financial condition and results of operations.

37. ***We are dependent on a number of our Key Managerial Personnel, our Senior Management, and the loss of, or our inability to attract or retain such persons could have an adverse effect on our business, results of operations and financial condition.***

Our senior management team, key managerial personnel and other qualified personnel are critical to our continued success and we may be unable to attract and retain such personnel in the future. As of December 31, 2024, we had 282 permanent employees. The table below sets forth our employee benefits expense (incurred for permanent employees) for the periods indicated:

(in ₹ million unless otherwise indicated)

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Employee benefit expenses	117.08	111.50	92.53	47.54
Employee benefit expenses as a percentage of revenue from operations (%)	3.83	5.50	7.75	6.19

Our success depends substantially on the continued efforts of our senior management team, key managerial personnel and other qualified personnel. If one or more of our executive officers or key employees are unable or unwilling to continue their services with us, we might not be able to replace them easily, in a timely manner, or at all. Our policy on succession planning for the Board and Senior Management Personnel ensures a structured approach to leadership transitions. It aligns with the SEBI regulations to prevent disruptions due to unplanned vacancies. Our Nomination and Remuneration Committee oversees succession planning for the Board, Key Managerial Personnel, and senior executives and also identifies potential candidates, develops internal talent, and ensures smooth transitions through periodic reviews. The said policy also incorporates diversity, competency assessment, and leadership development to maintain organizational stability and continuity. The table below provides the attrition rate for our employees, key managerial personnel and senior management for the periods indicated:

(in % unless otherwise indicated)

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Number of employees	282	188	117	119
Employee attrition rate	20.36%	22.63%	20.18%	20.16%
Key managerial personnel attrition rate	-	-	-	-
Members of senior management attrition rate	-	-	-	-
Skilled employees attrition rate	20.36%	22.63%	20.18%	20.16%

Our industry is characterised by high demand and intense competition for talent. As a result, we cannot assure you that we will be able to attract or retain engineers, qualified staff or other highly skilled employees. Our ability to train and integrate new employees into our operations may not meet the growing demands of our business and may cause employee attrition. Any negative publicity arising from such reduction in turnover may adversely affect our reputation and our ability to attract talent. Each of our key managerial personnel and senior management have executed appointment letters containing a non-compete provision. However, if any dispute arises between our key managerial personnel and/or senior management and us, the non-competition provisions contained in their non-compete agreements may not be enforceable. While this has not happened in the past, if any of our key managerial personnel or senior management joins a competitor or forms a competing company, we may lose customers, know-how and key professionals and staff members. Further, if any of our key managerial personnel or senior management terminates their services with us due to death, disability or any other reason, or if their reputation is adversely impacted by personal actions or omissions or other events within or outside their control, our business may be disrupted and we may incur additional expenses to recruit, train, and retain qualified personnel.

38. ***We are unable to trace certain of our corporate filings with respect to certain corporate records and secretarial forms filed by us with the Registrar of Companies and there are certain factual inaccuracies in our corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to such matters, which may adversely impact our financial condition and reputation.***

Certain of our Company's corporate regulatory filings and records in relation to *inter alia* change in our issued, subscribed and paid-up share capital and transfer of equity shares in regard to the buildup of promoters' shareholding in our Company are not traceable as the relevant information was not available in the records maintained by our Company or in the physical records available at the relevant registrars of companies and there are certain factual inaccuracies in our corporate filings.

The documents in relation to certain corporate actions and secretarial compliances undertaken by our Company as mentioned hereunder are untraceable:

S. No.	Particulars
1.	Form 2 along with the corresponding challan pertaining to allotment of equity shares dated March 30, 2008.
2.	Form filing challan pertaining to allotment of equity shares dated January 11, 2010.
3.	Form filing challan pertaining to allotment of equity shares dated March 31, 2011.
4.	Form filing challan pertaining to allotment of equity shares dated March 5, 2012.
5.	Form filing challan pertaining to allotment of equity shares dated March 27, 2013.
6.	Form filing challan pertaining to allotment of equity shares dated January 7, 2014.
7.	Form filing challan pertaining to bonus issue of equity shares dated January 7, 2014.
8.	Share transfer forms for the transfer of 200 equity shares from Vaishali Gan to Abhijeet V. Gan dated April 1, 2006.
9.	Share transfer forms for transfer of 1,91,536 Equity Shares and 1,85,000 Equity Shares from Radhika Dorle to Abhijeet V. Gan and Vaishali Gan respectively dated February 26, 2014.

Despite conducting internal searches and engaging an independent practicing company secretary, i.e., Yuti Nagarkar, to conduct a physical search of our records at the RoC, we have not been able to trace the aforementioned documents.

Accordingly, we have relied upon alternative documents such as the RoC search certificate dated February 4, 2025 prepared by Yuti Nagarkar for the disclosures in relation to the abovementioned allotments and transfers in this Draft Red Herring Prospectus. Further, our Company has sent a letter to the Registrar of Companies, Maharashtra at Mumbai on February 4, 2025 to inform them about our inability to trace the corporate records required to be filed with them. While the information in relation to the corporate actions and secretarial compliances has been disclosed in "*Capital Structure*" beginning on page 93 based on the available records including the RoC search certificate, board and shareholders resolutions, gift deeds, and minutes of our Board, to the extent available, we may not be able to furnish any further documents evidencing such allotments or transfers. We cannot assure you that the form filings which we have not been able to locate will be available in the future or that the information gathered through other available documents is correct. Further, we cannot assure you that the filing was done, at all or in timely manner, and that we shall not be subject to penalties on this account.

There have been certain discrepancies in relation to statutory filings required to be made by us thereunder, for instance, with regard to the board resolution dated March 5, 2012 passed for allotment of 59,000 Equity Shares pursuant to conversion of loan into Equity Shares, the number of shares allotted to Radhika Dorle and Vinay Dorle were erroneously inter-changed.

Additionally, while no legal proceedings or regulatory action has been initiated against our Company in relation to the aforementioned matter as of the date of this Draft Red Herring Prospectus, we cannot assure you that such proceedings or regulatory actions will not be initiated against our Company in the future in relation to the aforesaid missing statutory filings.

39. ***If we are unable to establish and maintain an effective internal controls and compliance system, over financial reporting, our reputation could be adversely affected.***

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares. While we have not faced any loss or received any notice from any statutory or regulatory authority for any inaccuracy in our financial reporting in the nine-month period ended December 31, 2024, and the last three Fiscals, there can be no assurance that we will not face such issues in the future.

We have implemented various measures to enhance our internal controls and compliance system, including obtaining of credit ratings from Acuité Ratings & Research Limited and ESG ratings from CARE Advisory Research & Training Limited. Credit ratings from Acuité Ratings & Research Limited reflect the opinion of the rating agency on our management, track record, diversified clientele, increase in scale and operations and margins and operating cycle and in Fiscal 2023, our ESG performance earned ratings of 3, 2.8, and 3.6 from CARE Advisory Research & Training Limited. Our adherence to ESG principles ensures that sustainability is embedded in our solutions development process. Despite these efforts, the complexity of financial regulations and evolving industry standards pose ongoing challenges.

To address these challenges, the respective board of directors of our Company and our Subsidiaries are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective restated consolidated financial statements. The respective board of directors are also responsible for identifying and ensuring that our Company is compliant with the Companies Act, the SEBI ICDR Regulations and the Guidance Note, as applicable. Despite these measures, there remains a risk that deficiencies in our internal controls could lead to inaccuracies in financial reporting, potentially damaging our reputation and impacting our stock price. We are committed to continuously improving our internal control systems to mitigate these risks and maintain investor confidence.

40. ***If we are unable to raise additional capital or are unable to obtain financing on favourable terms or at all, our business, results of operations, cash flows and financial condition could be adversely affected.***

We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our internal accruals and cash flow from operations to be adequate to fund our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing could adversely affect our growth strategy. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to raise adequate capital in a timely manner and on favourable terms, or at all, our business, results of operations, cash flows and financial condition could be adversely affected.

We may also require additional cash resources due to future growth and development of our business, including any investments or acquisitions we may decide to pursue. If our cash resources are insufficient to satisfy our cash requirements, we may seek to issue additional Equity Shares or debt securities or obtain new or expanded credit facilities. Our ability to obtain external financing in the future is subject to a variety of uncertainties. In addition, incurring indebtedness would subject us to increased debt service obligations and could result in operating and financial covenants that would restrict our operations. Our ability to access international capital and lending markets may be restricted at a time when we would like, or need, to do so, especially during times of increased volatility and reduced liquidity in global financial markets and stock markets, including due to policy changes and regulatory restrictions, which could limit our ability to raise funds.

While we have not faced any significant issues in raising capital or obtaining financing on favourable terms in the nine-month period ended December 31, 2024, and the last three Fiscals, there can be no assurance that financing will be available in a timely manner or in amounts or on terms acceptable to us, or at all. Any failure to raise needed funds on terms favorable to us, or at all, may impact our liquidity as well as have a material adverse effect on our business, cash flows, financial condition and results of operations.

41. ***We have certain contingent liabilities that have not been provided for in our financial statements, which, if they materialize, may adversely affect our business, results of operations and financial condition.***

The following table and notes set forth the principal components of our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, as of the nine-month period ended December 31, 2024 and last three Fiscals:

(*in ₹ million*)

Sr. No.	Particulars	As on December 31, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
1.	Aggregate value of bank guarantees outstanding	326.88	267.20	154.71	164.75
2.	GST demands	27.89	2.09	3.53	2.93
3.	Income tax demands (excluding additional interest from the date of demand)	3.08	3.08	11.30	4.46
4.	Investment commitments	-	-	0.10	-

Our contingent liabilities may become actual liabilities. If a significant portion of these liabilities materialize, it could have an adverse effect on our business, results of operations and financial condition. In Fiscal 2023, we have faced an incident involving an invocation of our bank guarantee amounting to ₹ 1 million furnished as earnest money deposit for a tender. Such instances underscore the risk of contingent liabilities materializing due to procedural non-compliance or counterparty actions, potentially resulting in financial loss and operational disruption. Similar occurrences may arise in the future and there can be no assurance that we will not witness similar or increased levels of contingent liabilities turning into actual liabilities in the current Fiscal year or in the future. For further information, see "*Restated Consolidated Financial Statements*" on page 278.

42. ***Delivery delays, poor handling by third-party logistics service providers and project management challenges may have an adverse effect on our business, financial condition and results of operations.***

We partially rely on our third-party logistics service providers for the transportation of our offerings to the customers. Any disruptions in logistics or failures in our project management processes could negatively impact our ability to complete projects on time or even at all, leading to potential liquidated damages for time overruns in accordance with our contracts. Effective and efficient project management is critical for the success of our business, and any adverse changes in these processes could significantly affect our ability to meet deadlines, increasing costs and impacting our reputation. Delayed or even lost deliveries may occur for various reasons beyond our control, including poor handling by our logistics service providers, labour disputes or strikes, acts of war or terrorism, health epidemics, earthquakes and other natural disasters. Any such circumstances would have a material and adverse effect on our business, financial condition and results of operations. While we have not experienced any such disruptions in the delivery of our offerings in the nine-month period ended December 31, 2024, and the last three Fiscals, we cannot assure you that such events will not occur and will not have an adverse material effect on our business, results of operations and financial condition.

The table set forth below are certain details of our cost of freight and percentage to total expense for the nine-month period ended December 31, 2024, and the last three Fiscals:

(in ₹ million, unless otherwise specified)

Particulars	Nine-month ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Transport, freight and carting	5.52	8.10	12.40	12.06
Percentage to total expense	0.26%	0.59%	1.45%	1.71

Further, in the event of a slowdown in the economic activity in and around places where our facilities are located, or any other developments including social, political or civil unrest, disruption, natural calamities or sustained economic downturn or changes in the policies of the local and state government of such region that results in discontinuation of operation of our facilities located, could require us to incur significant capital expenditure, or change our business structure or strategy, which could have an adverse effect on our business, results of operations and financial condition. We have not witnessed any such incidents in the nine-month period ended December 31, 2024, and the last three Fiscals, but we cannot assure you that we will be able to find suitable replacement sites on terms acceptable to us on a timely basis, or at all, or that we will not be subject to material liability resulting from third parties' challenges on our use of such properties.

43. ***We operate in a competitive environment and may not be able to effectively compete. We face competition from both domestic as well as multinational corporations and our inability to compete effectively could result in the loss of customers, hence, our market share, which could have an adverse effect on our business, results of operations, financial condition and future prospects.***

The market wherein we operate is competitive, rapidly evolving and is characterized by frequent introductions of new and improved water, solar agriculture and IoT solutions. We face competition from both domestic and multinational corporations. We expect competition to persist and intensify in the future as the market wherein we operate is constantly evolving and growing with new and existing competitors devoting considerable resources to introducing and enhancing offerings and services. Accordingly, our ability to grow our business in accordance with our strategy will depend on our ability to introduce new offerings and services, adapt to new technologies, respond to pricing strategies by competitors, redevelop our brand, execute agreements with technology partners, improve our manufacturing capabilities and technology and develop intellectual property.

We are the only Clean-tech company in India with a diverse offering for rural transformation, focused on water solutions, solar agriculture solutions, and **IoT** solutions for energy, agriculture, and water management sectors (*Source: 1Lattice Report*). However, we can identify specialized peers in each of the core areas:

(i) Water Solution includes Ion Exchange (India) Limited, Va Tech Wabag Ltd, EMS Limited, Enviro Infra Engineers Limited (*Source: 1Lattice Report*);

(ii) Solar Agricultural Solutions includes Shakti Pumps (India) Limited (*Source: 1Lattice Report*);

(iii) IoT Solutions includes Ceinsys Tech Limited (*Source: 1Lattice Report*).

Although we have expended considerable resources on the design, development and manufacture and assembly of our offerings, some of our competitors have longer industry experience and greater financial, technical and other resources, as well as larger customer bases or greater brand recognition. Certain competitors may also be able to react faster to technological developments, trends and changes in customer demand. Our competitors may devote greater resources to the development, promotion and sale of their offerings than we do. They may have lower costs and be able to withstand lower prices better in order to gain market share. Increased competition may result in price reductions, reduced profit margins and loss of market share, thereby causing a material adverse effect on our operations, prospects and financial condition. In addition, our competitors may have greater engineering, technical, manufacturing and assembly, sales, marketing and financial resources and capabilities than we have. There can be no assurance that our current or potential competitors will not offer the services we provide comparable or superior to those that we offer at the same or lower prices; adapt more quickly to industry challenges; or expand their operations at a faster pace than we do. These competitors may be able to respond more rapidly than we can to new or emerging technologies or changes in customer requirements, including introducing a greater number and variety of offerings and services than we can. In addition, our competitors may choose to enter into strategic alliances or form affiliates with other competitors to our detriment. Suppliers or sub-contractors may merge with our competitors which may limit the choice of sub-contractors we have available to us which may limit the flexibility of our overall service capabilities. For further details on market share and entry barriers, please see "*Industry Overview*" on page 146.

To remain competitive, we must continue to invest significant resources in modernisation, manufacturing and assembly, sales and marketing and customer support. We cannot be sure that we will have sufficient resources to make these investments or that we will be able to make the technological advances necessary to be competitive. Failure to compete successfully against current or future competitors could have a material adverse effect on our business, results of operations and financial condition.

44. Our Company does not have any listed peer companies with presence across all three sectors, namely, water solutions, solar agriculture, and IoT sectors, to enable comparison of performance in India.

We are the only Clean-tech company in India with a diverse offering for rural transformation, focused on water solutions, solar agriculture solutions, and internet of things ("**IoT**") solutions for energy, agriculture, and water management sectors *(Source: 1Lattice Report)*. Our Company does not have any listed peer companies who operate in all three sectors i.e., water solutions, solar agriculture, and IoT sectors for comparison of performance in India, however, we have we have identified specialized peers in each of the core areas as mentioned in the section titled '*Our Business - Competition*' on page 240. Therefore, investors must rely on their own examination of our accounting ratios, Non-GAAP financial measures and key performance indicators relating to our consolidated financial and operating performance for the purposes of investment in this Offer. There can be no assurance that our Non-GAAP financial measures, key performance indicators and accounting ratios will improve in the future. An inability to improve or maintain such Non-GAAP financial measures, key performance indicators and accounting ratios may adversely affect the market price of the Equity Shares.

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

We have not paid any dividends on Equity Shares and but, have declared dividend on preference shares in the last nine-month period ended December 31, 2024, last three Fiscals and from January 1, 2025 up to the date of filing this Draft Red Herring Prospectus. For further information, see "*Dividend Policy*" on page 277. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements and capital expenditure. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our earnings, capital requirements, acquisitions, overall financial condition of our Company and restrictive covenants of our financial arrangements. Additionally, our ability to pay dividends may also be restricted by the terms of financing arrangements that we may enter into. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time.

46. Our business is subject to strikes, work stoppages and/or increased wage demands, as well as other disputes with our employees. Such instances may cause disruptions in our operations, which could materially adversely affect our business, financial condition and results of operations.

We had 282 permanent employees and no contractual employees as on December 31, 2024. We cannot guarantee that our employees will not join labour unions in the future and as a result we may experience disruptions in our operations due to disputes or other problems with our workforce. As of the date of this Draft Red Herring Prospectus, we do not have recognized trade unions at our manufacturing facility. Efforts by our employees to modify compensation and other terms of employment may also divert management's attention and increase operating expenses. The occurrence of such events could have a material adverse effect on our business, financial condition and results of operations.

From time to time, we also enter into contracts with sub-contractors and other independent contractors to complete specific assignments and these sub-contractors are required to provide the labour necessary to complete such assignments. We do not have control over their day-to-day affairs. Although we do not engage these labourers directly, it is possible under the local laws of the countries in which we operate, that we may be held responsible for wage payments to labourers engaged by sub-contractors should the sub-contractors default on wage payments. While we have not encountered any such instances or penalties requiring us to fund such payments, we cannot assure you that such situation will not arise in future. Any such occurrence could materially and adversely affect our business, financial condition and results of operations.

47. ***Any fraud, theft, misconduct or embezzlement by our employees, vendors or contractors could adversely affect our reputation, results of operations and financial condition. Our operations and contracts are subject to anti-corruption laws and regulations, and any failure to comply with such laws and regulations could have an adverse impact on our business and reputation.***

Our business is subject to incidents of internal and external fraud, misconduct, theft or embezzlement by employees, vendors or contractors. We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. We are also subject to anti-corruption laws and regulations, and any failure to comply with these requirements could damage our reputation and negatively impact our business.

In this regard, we have encountered an incident of internal fraud where an individual, was involved in forging bank account details and siphoning off our Company funds. As a result, we registered an FIR against the accused at Bilaspur and Durg under sections 420, 120-B, 406, 408, and 34 of the Indian Penal Code, 1860. For further details, please see "*Outstanding Litigation and Material Developments – Litigation Involving our Company – Criminal proceedings by our Company"* on page 420.

While we take reasonable measures to maintain effective internal controls, compliance procedures, and safeguards to prevent such incidents, any lapse in these controls could lead to financial inaccuracies, regulatory penalties, or reputational harm. Additionally, any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our Equity Shares.

48. ***Our Promoters and Promoter Group will continue to exert substantial voting control over our Company after completion of the Offer, which may limit your ability to influence the outcome of matters submitted for approval of our shareholders.***

As on the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group together hold 67.16% our pre-Offer Equity Share capital on a fully diluted basis. For further details, see "*Capital Structure*" beginning on page 93. Following the completion of the Offer, our Promoters and Promoter Group, shall continue to hold substantial voting rights in relation to our Company's post-Offer Equity Share capital. This concentration of ownership could limit your ability to influence corporate matters requiring shareholders' approval. As a result of our shareholding, our Promoters and Promoter Group will have the ability to significantly influence matters requiring shareholders' approval, including the ability to appoint Directors on our Board and the right to approve significant actions at Board and at shareholders' meetings, including mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association. In addition, if our shareholders do not act together, such matters requiring shareholders' approval may be delayed or may not occur at all, which could adversely affect our business. The interests of our Promoters, as our Company's significant shareholders, could be different from the interests of our other Shareholders and their influence may result in change of business line or domain of our Company, even if such a transaction may not be beneficial to our other Shareholders.

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

We have entered into various transactions with related parties, such as for purchases, sales and payment of remuneration. While all such transactions have been conducted on an arm's length basis and in compliance with applicable law and are not prejudicial to the interest of our Company, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. As on the date of this Draft Red Herring Prospectus, our Subsidiaries are authorized to engage in similar business to that of our Company, and accordingly there may be common pursuits between our Company and our Subsidiaries. Our Company will adopt necessary procedures and practices as permitted by law to address any situations of conflict of interest, if and when they arise. However, there is no conflict of interest between our Company and our Subsidiaries as on the date of this Draft Red Herring Prospectus. For details on our related party transactions, see "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 28*" on page 346. Set forth below is a table which provides details of our related party transactions (excluding related party transactions eliminated during the year), and as a percentage of our revenue from operations, for the periods indicated:

Particulars	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (*in ₹ million)*	**Percentage of revenue from operations**	**Amount (*in ₹ million)***	**Percentage of revenue from operations**	**Amount (*in ₹ million)***	**Percentage of revenue from operations**	**Amount (*in ₹ million)***	**Percentage of revenue from operations**
Related party transactions	44.51	1.45%	71.77	3.54%	68.67	5.75%	13.66	1.78%

The transactions we have entered into and any further transactions that we may have with our related parties including our Promoters and Directors could potentially involve conflicts of interest which may be detrimental to us. We cannot assure you that such transactions, individually or in the aggregate, even if entered into at arms-length terms, will always be in the best interests of our shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

Furthermore, there can be no assurance that we will be able to continue entering into related party transactions in the future. Any inability to do so could impact our business operations, particularly if we are unable to secure similar terms from third-party contractors. Such a scenario may result in increased costs, delays, or disruptions to our operations, which could adversely affect our business, financial condition, and results of operations.

50. ***Certain of our Promoters, Directors, Key Managerial Personnel have interests in our Company in addition to their normal remuneration or benefits and reimbursement of expenses incurred.***

Certain of our Promoters, Directors, Key Managerial Personnel have interests in our Company that are in addition to reimbursement of expenses and normal remuneration payable to them. Our Promoters, Directors, Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares held by them, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares and to the extent of their participation in the Offer as Selling Shareholders. For more information on the Selling Shareholders, see "*The Offer*" on page 79. Also, a registered trademark that was previously used by our Company as its logo, is registered under the name of Abhijeet V. Gan who is one of our promoters and we have also entered into a Trademark License Agreement dated September 28, 2023 with Abhijeet V. Gan for the use of that logo. However, our Company has made a trademark application for new logo under class on November 29, 2024. For more information on the Selling Shareholders, see "*The Offer*" on page 79.

We cannot assure you that our Promoters, Directors, members of Promoter Group and our Key Management Personnel and Senior Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details of such interests, see "*Our Management – Interest of Directors*", "*Our Management – Interests of Key Managerial Personnel and Senior Management*" and "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 28*" beginning on pages 261, 272, and 346, respectively. For further details of our Promoters, see "*Our Promoters and Promotor Group*" beginning on page 274.

51. ***Some of our Directors and Promoters may have interest in entities, which are in businesses similar to ours or have objects which would allow them to engage in the business similar to our Company and this may result in conflict of interest with us. There are no non – compete agreements between our Company and such Promoter Group and Group Company. We cannot assure that the said entity will not expand which may increase our competition, which may adversely affect business operations and financial condition of our Company.***

As on the date of this Draft Red Herring Prospectus, some of our Directors and Promoters namely, Vinayak S. Gan and Abhijeet V. Gan have interests in entity i.e. Rite Water (India) Private Limited, which is also a Promoter Group entity and our Group Company and our Material Subsidiary, Clintech Equipment and Solutions Private Limited is authorised to engage in businesses similar to ours. Vinayak S. Gan and Abhijeet V. Gan our Promoters and Directors, are also directors on the board of our Subsidiary namely Clintech Equipment and Solutions Private Limited and there can be no assurance that conflicts of interest will not occur between our business and the businesses of such entities, which could have an adverse effect on our business and prospects.

Further, we have not entered into any non-compete agreement with said entity. The main objects of this entity allow them to engage in competing line of businesses. We cannot assure that our Promoters who have common interest in said entity will not favour the interest of the said entity in future. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. Additionally, we cannot assure that the said entity will not expand, which may increase our competition and, in turn, adversely affect the business operations and financial condition of our Company. For further details, please refer to "*Common Pursuits*" in the chapter titled "*Group Company*" and "*History and Certain Corporate Matters – Our Subsidiaries*" on pages 427 and 256 respectively. While there is presently no conflict of interest between our Company and our Subsidiaries, Promoter Group entity or Group Company on the date of this Draft Red Herring Prospectus, there is no assurance that our Promoters and Directors will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in future. Such factors may have an adverse effect on the results of our operations and financial condition.

52. ***Any variations in our funding requirements and the proposed deployment of Net Proceeds may affect our business and results of operations.***

We intend to use the Net Proceeds for the purposes described in "*Objects of the Offer*" on page 116 of this Draft Red Herring Prospectus. Our funding requirements are based on management estimates and are not appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. However, the deployment of the Gross Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, changes in tax policies and provisions by the GoI or state government, and other financial and operational factors.

Accordingly, investors in the Offer will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and results of operations. Whilst a monitoring agency will be appointed, for monitoring utilisation of the Gross Proceeds, the proposed utilisation of the proceeds is based on current conditions, our business plans and internal management estimates, appraisal report and is subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. Based on the competitive nature of our industry, we may have to revise our business plan and/or management estimates from time to time and consequently our funding requirements may also change. Our internal management estimates may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our capital expenditure and may have an adverse impact on our business, financial condition, results of operations and cash flows.

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Offer without being authorised to do so by the Shareholders by way of a special resolution. We may not be able to obtain the shareholders' approval in a timely manner, or at all, in the event we need to make such changes. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations. Pursuant to the Companies Act, the promoters and controlling shareholders of our Company, as at the time of such proposed variation, will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the provisions of the Companies Act and the SEBI ICDR Regulations.

The requirement to provide an exit opportunity to such dissenting shareholders may deter our promoters and controlling shareholders, as at the time of the proposed variation, from agreeing to any changes made to the proposed utilization of the Net Proceeds, even if such change is in our interest. Furthermore, we cannot assure you that such promoters and controlling shareholders will have adequate resources to provide an exit opportunity at the price prescribed by SEBI. For further details on exit opportunity to dissenting shareholders, see "*Objects of the Offer—Variation in Objects*" on page 126. In light of these factors, we may not be able to undertake variation of object of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the un-utilized portion of the Net Proceeds, if any, or varying the terms of any contract, which may adversely affect our business, results of operations and cash flows.

53. ***Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which could have an adverse effect on our business, results of operations and financial condition.***

Our business involves many risks and hazards which may adversely affect our profitability, including breakdowns, failure or substandard performance of equipment, accidents at project sites, third-party liability claims, labour disturbances, employee fraud and infrastructure failure. Our principal types of coverage include among others, protection from fire, earthquake, burglary, and fraudulent and dishonest acts committed by an employee or any other person, employee insurance policies such as medical and personal accident insurance policies and general liability insurance. We believe that the insurance coverage which we maintain is reasonably adequate to cover the normal risks associated with the operation of our businesses. We have suffered losses in relation to insured properties and equipment's in Fiscal 2023 and 2024. Even if we have insurance for the incident giving rise to the loss, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. However, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have obtained sufficient insurance to cover all our losses.

The table below sets forth information of insurance cover on assets of our Company for the nine-month period ended December 31, 2024:

(₹ in million)

Particulars	Gross assets^	As percentage of total gross assets^	Total Insurance cover	Insurance coverage as percentage of gross asset^
Insured Assets (1)	238.80	35.10 %	200.27	83.87 %
Uninsured Assets (2)	441.54	64.90 %	NA	NA
Total	**680.34**	**100.00%**	**200.27**	

^*based on Restated Consolidated Financial Statements*.

(1) Insured Assets – Inventory, Motor vehicles, Factory shed, Plant and Machinery and Furniture & Fixture.

(2) Uninsured assets exclude uninsurable assets such as Right of Use Assets, Leasehold Land, Intangibles and other non-tangible assets & insured assets.

The table below sets forth information of insurance cover on assets of our Company for Fiscal 2024:

(₹ in million)

Particulars	Gross assets^	As percentage of total gross assets^	Total Insurance cover	Insurance coverage as percentage of gross asset^
Insured Assets (1)	155.52	61.87 %	144.61	92.99 %
Uninsured Assets (2)	95.85	38.13 %	NA	NA
Total	**251.37**	**100.00%**	**144.61**	

^*based on Restated Consolidated Financial Statements*.

(1) Insured Assets – Inventory, Motor vehicles, Factory shed, Plant and Machinery and Furniture & Fixture.

(2) Uninsured assets exclude uninsurable assets such as Right of Use Assets, Leasehold Land, Intangibles and other non-tangible assets & insured assets.

The table below sets forth information of insurance cover on assets of our Company for Fiscal 2023:

(₹ in million)

Particulars	Gross assets^	As percentage of total gross assets^	Total Insurance cover	Insurance coverage as percentage of gross asset^
Insured Assets (1)	79.27	73.84 %	32.16	40.57 %
Uninsured Assets (2)	28.09	26.16 %	NA	NA
Total	**107.36**	**100.00%**	**32.16**	

^*based on Restated Consolidated Financial Statements*.

(1) Insured Assets – Inventory and Motor vehicles.

(2) Uninsured assets exclude uninsurable assets such as Right of Use Assets, Leasehold Land, Intangibles and other non-tangible assets & insured assets.

The table below sets forth information of insurance cover on assets of our Company for Fiscal 2022:

(₹ in million)

Particulars	Gross assets^	As percentage of total gross assets^	Total Insurance cover	Insurance coverage as percentage of gross asset^
Insured Assets (1)	35.87	60.22 %	57.11	159.24 %
Uninsured Assets (2)	23.69	39.78 %	NA	NA
Total	**59.56**	**100.00%**	**57.11**	

^*based on Restated Consolidated Financial Statements*.

(1) Insured Assets – Inventory, Motor vehicles, Factory shed, Plant and Machinery and Furniture & Fixture.

(2) Uninsured assets exclude uninsurable assets such as Right of Use Assets, Leasehold Land, Intangibles and other non-tangible assets & insured assets.

In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, and while we have no reason to believe that we will not be able to renew our existing insurance coverage as and when such policies expire or obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct our businesses as now conducted. We have not faced any issue with insurance coverage renewals in the nine-month period ended December 31, 2024, and in last three Fiscals, however, we cannot assure you that such renewals will be granted in a timely manner, or at acceptable cost, or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered in full or part by insurance, 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, financial condition and cash flows could be adversely affected. We cannot assure you that we will not encounter such issues in the future. For further details on our insurance arrangements, see "*Our Business – Insurance*" on page 240.

54. Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business, financial conditions, cash flows and results of operations.

The cost and availability of capital, among other factors, is also dependent on our current and future results of operations and financial condition, our ability to effectively manage risks, our brand and our credit ratings. We may not be able to avail the requisite amount of financing or obtain financing at competitive interest rates if we fail to have favourable results of operations. The following table sets forth details of our credit rating received during the nine-month period ended December 31, 2024, and the last three Fiscals:

Rating Agency	Products	Credit Rating	Date
Acuité Ratings & Research Limited	Long term rating	ACUITE A	August 2, 2024
	Short term rating	ACUITE A1	
Acuité Ratings & Research Limited	Long term rating	ACUITE A-	May 5, 2023
	Short term rating	ACUITE A2+	
Acuité Ratings & Research Limited	Long term rating	ACUITE A-	August 1, 2022
	Short term rating	ACUITE A2+	

Credit ratings reflects the opinion of the rating agency on our management, track record, diversified clientele, increase in scale and operations and margins and operating cycle. While we have not experienced downgrading in our credit ratings received in the last three Fiscals, any downgrade in our credit ratings or our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, or poor ratings, could increase borrowing costs, which will give the right to our lenders to review the facilities availed by us under our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows.

55. Technology failures could disrupt our operations and adversely affect our business operations and financial performance.

Our information technology ("**IT**") systems are critical to our ability to manage our manufacturing process, inventory management, financial management and data handling, to maximize efficiencies and optimize costs. Our IT framework leverages a suite of integrated tools to streamline operations and enhance efficiency. Advanced data visualization tools provide real-time insights, supporting informed decision-making across various departments. A cloud-based enterprise resource planning (ERP) system forms the backbone of resource management, optimizing workflows and enabling seamless coordination. For human resources management, we utilize cloud-based software to automate payroll, performance tracking, and employee engagement processes. Additionally, a custom-developed mobile application supports in-house quality assurance, offering on-the-go access to essential metrics and inspections. A secure cloud-based storage solution ensures safe and scalable management of critical business data. Together, these technologies foster an agile, data-driven environment committed to operational excellence.

Any failure of our information technology systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition, cash flows and results of operations. Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. Such technology systems may also be vulnerable to ransomware attacks, which may block or restrict access to these systems and impair their functionality, unless certain ransom money is paid. If such unauthorized use of our systems were to occur, data related to our customers and other proprietary information could be compromised. While we have implemented a data security, backup and disaster recovery plan which aims to establish management direction, procedures, and requirements to protect our information systems data, there is no assurance that these measures will be effective. The integrity and protection of our customer, employee and company data is critical to our business. Our customers expect that we will adequately protect their personal information. A theft, loss, fraudulent or unlawful use of customer, employee or company data could harm our reputation or result in remedial and other costs, liabilities, fines or lawsuits.

We have not formulated any cybercrime insurance policy and data security policy as on the date of this Draft Red Herring Prospectus. While we have not faced any instances of significant information technology systems disruptions or data security breaches in the nine-month period ended December 31, 2024, and Fiscals 2022, 2023 and 2024, there can be no assurance that such instances will not occur in the future.

56. Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These Non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies.

Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance such as like PAT Margin, Return on Equity, Return on Capital Employed, Net Debt to EBITDA Ratio, EBITDA, EBITDA Margin, Net Asset Value and Return on Net Worth have been included in this Draft Red Herring Prospectus.

We compute and disclose such Non-GAAP financial measures and other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP financial measures are supplemental measures of our performance and liquidity that is not required by, or presented in accordance with, Ind AS. These Non-GAAP financial measures should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability, or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these Non-GAAP financial measures are not standardized terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible.

We track such operating metrics with internal systems and tools, and our methodologies may change over time. If such internal systems and tools undercount or overcount performance, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates, there are inherent challenges and limitations with respect to how we measure data. This may also affect our understanding of certain details of our business, which could affect our long-term strategies. If we discover material inaccuracies in the operating metrics we use, or if they are perceived to be inaccurate, our reputation may be harmed, and our evaluation methods and results may be impaired, which could negatively affect our business. If investors make investment decisions based on operating metrics that are inaccurate, we may also face potential lawsuits or disputes with investors or regulators.

57. ***Certain sections of this Draft Red Herring Prospectus disclose information from the 1Lattice Report which has been prepared exclusively for the Offer and commissioned by our Company and paid for by our Company exclusively in connection with the Offer, and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***

We have commissioned and availed the services of an independent third-party research agency, Lattice Technologies Private Limited to prepare the report titled "*Water, Solar Pumps and IoT Industry Report*" dated February 7, 2025 (the "**1Lattice Report**"), for purposes of inclusion of such information in this Draft Red Herring Prospectus to understand the industry in which we operate pursuant to an engagement letter dated August 28, 2024. A copy of the 1Lattice Report is available at www.ritewater.in/investor-relations/IPO. The 1Lattice Report has been exclusively commissioned by our Company and paid for by our Company. Certain information in this section and "*Industry Overview,*" "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", on pages 146, 209 and 378, respectively, have been derived from the 1Lattice Report.

Further, the 1Lattice Report is prepared based on information as of specific dates, which may no longer be current or reflect current trends. The 1Lattice Report may also base its opinion on estimates, projections, forecasts and assumptions that may prove to be incorrect. In addition, statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus. The 1Lattice Report also highlights certain industry, peer and market data, which may be subject to 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. Furthermore, such assumptions may change based on various factors. We cannot assure you that the assumptions in the 1Lattice Report are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company and shall not be construed as expert advice or investment advice. Prospective investors are advised not to unduly rely on the 1Lattice Report or extracts thereof as included in this Draft Red Herring Prospectus when making their investment decisions. For further information, see "*Industry Overview*" on page 146.

58. ***Our Company will not receive any proceeds from the Offer for Sale portion. The Selling Shareholders will receive the net proceeds from such Offer for Sale.***

The Offer consists of the Offer for Sale. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholders (after deducting applicable Offer Expenses) and our Company will not receive any such proceeds and will not result in any creation of value for us or in respect of your investment in our Company. For further information, see "*The Offer*" and "*Objects of the Offer*" on pages 79 and 116, respectively.

EXTERNAL RISK FACTORS

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

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. Adverse economic developments, such as rising Fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Our Company is incorporated in India, and our assets and employees are all located in India. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Further, the following external risks may have an adverse impact on our business and results of operations, should any of them materialize. Such incidents could also create a perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, if any, which may constrain our ability to grow our business and operate profitably;
- downgrade of India's sovereign debt rating by an independent agency;
- political instability, resulting from a change in governmental or economic and Fiscal policies, may adversely affect economic conditions in India;
- strikes, lockouts, work stoppages or increased wage demands by employees, suppliers or other service providers;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations of war;
- fires and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.
- India has experienced epidemics and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years;
- financial instability and turmoil in other countries; and
- contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. Any similar future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

We are dependent on domestic and regional economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate. As on the date of this Draft Red Herring Prospectus, we have not faced any adverse impact on our business and results of operations due to such external risks, except to the extent disclosed in our "*Restated Consolidated Financial Statements"* on page 278.

60. ***We are subject to anti-bribery and anti-corruption laws, violation of which may subject our Company and/or our Promoters to governmental inquiries and/or investigations, which if material and adverse in nature, could adversely affect our business, results of operations and financial condition in future periods and our reputation.***

We have operations and projects, in India. Those operations and projects often involve interactions with governmental authorities and officials at the Indian federal, state and local level. We are subject to anti-corruption and anti-bribery laws in India that prohibit improper payments or offers of improper payments to governments and their officials and political parties for the purpose of obtaining or retaining business or securing an improper advantage and require the maintenance of internal controls to prevent such payments. Although, we maintain an anti-bribery compliance program and train our employees in respect of such matters, our employees might take actions that could expose us to liability under anti-bribery laws. In certain circumstances, we may be held liable for actions taken by our partners and agents, even though they are not always subject to our control. Any violation of anti-corruption laws against us or our Promoters could result in penalties, both financial and non-financial, that could have a material adverse effect on our business, results of operations and financial condition in future periods and reputation.

61. The Indian tax regime has undergone substantial changes which could adversely affect our business and the trading price of the Equity Shares.

Any change in Indian tax laws could have an effect on our operations. The Government of India has implemented two major reforms in Indian tax laws, namely the Goods and Services Tax ("**GST**"), and provisions relating to general anti-avoidance rules ("**GAAR**"). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by GST with effect from July 1, 2017. The GST regime continues to be subject to amendments and its interpretation by the relevant regulatory authorities is constantly evolving. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any substantial precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of a company at an effective rate of 20.56% (inclusive of applicable surcharge and cess). Such dividends were generally exempt from tax in the hands of the shareholders. However, the GoI has amended the Income-tax Act, 1961 ("**IT Act**") to abolish the DDT regime. Accordingly, any dividend distribution by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, we are required to withhold tax on such dividends distributed at the applicable rate.

The Government of India announced the Union Budget for the Financial Year 2025-2026 on February 1, 2025. Following this, the Finance Bill 2025, was introduced in the Lok Sabha on the same day and the bill is currently under parliamentary consideration and is expected to receive the President's assent, becoming the Finance Act, 2025, with effect from April 1, 2025. The Finance Bill, 2025, proposes changes to India's taxation framework, including raising the tax exemption threshold to ₹1.2 million annually and recalibrating tax slabs, with the maximum rate of 30% applying to incomes of ₹2.4 million and above. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether if at all, any laws or regulations would have an adverse effect on our business. Further, any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. In addition, we are subject to tax related inquiries and claims.

62. Our operations may be adversely affected by the effects of health pandemics, civil disturbances, social unrest, hostilities or acts of terrorism, natural disasters such as extreme weather events and other criminal activities.

Certain events that are beyond our control, such as health pandemics, terrorist attacks, natural calamities and other acts of violence or war, may adversely affect worldwide financial and Indian markets, and could potentially lead to a severe economic recession, which could adversely affect our business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy.

India has experienced social unrest in some parts of the country. If such tensions occur in other parts of the country leading to overall political and economic instability, it could have an adverse effect on our business, financial condition, results of operations and the trading price of our Equity Shares. India has also experienced natural calamities such as earthquakes, tsunamis, floods and droughts in the past. Instances of floods or other natural calamities could have an adverse effect on our business, financial condition, results of operations and the trading price of our Equity Shares. Such events may result in a temporary decline in the sales of our offerings and services and in our employees' ability to perform their duties. In addition, such events may temporarily interrupt our ability to transport specimens, to receive materials from our suppliers or otherwise to provide our services. We have not seen any instance of social unrest or internal disturbance due to which our business, operations and financial condition were adversely affected in the nine-month period ended December 31, 2024, and the last three Fiscals. There can be no assurance that such event will not occur or have an adverse effect in future. Changing laws, rules and regulations and legal uncertainties, including any adverse application of tax laws and regulations across the multiple states we operate in, could have an adverse effect on our business, financial condition, results of operations and cash flows.

63. ***Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.***

Our Company is incorporated under the laws of India. All of our Company's assets are located in India and all of our Company's Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. 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 or if judgments are in breach or contrary to Indian law.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("**CPC**"). India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the UK, Singapore, United Arab Emirates and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the CPC. The U.S. and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the U.S., for civil liability, whether or not predicated solely upon the general laws, including securities laws of the non-reciprocating territory, including U.S., would not be enforceable in India under the CPC as a decree of an Indian court. The UK, Singapore, United Arab Emirates and Hong Kong have been declared by the Government of India to be reciprocating territories for the purposes of Section 44A of the Civil Code. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, 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 CPC, 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 CPC 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. 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 new suit in a competent court in India based on a final judgment that has been obtained in the U.S. or other such jurisdiction within three years of obtaining such final judgment. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

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

We are subject to Indian exchange control regulations that regulate borrowings in foreign currencies, including those specified under FEMA and the rules thereunder. Under such foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval of the RBI will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

Further, in accordance with the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which share a 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. Any such approval(s) would be subject to the discretion of the regulatory authorities. Restrictions on foreign investment activities and any impact on our ability to attract foreign investors may cause uncertainty and delays in our future investment plans and initiatives.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 468.

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

Our Restated Consolidated Financial Statements has been derived from the audited financial statements of our Company prepared in accordance with the Indian Accounting Standards (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. The aforementioned financial statements have been restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.

Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statement were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

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

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

67. Any adverse change in India's sovereign credit rating by an international rating agency could have an adverse effect on our business, results of operations and cash flows.

Our borrowing costs and our access to the debt capital markets depend significantly on the sovereign credit ratings of India. India's sovereign debt rating could be downgraded due to various factors, including changes in tax or Fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to sovereign credit ratings for India and other jurisdictions we operate in 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. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business, operations and financial performance and the price of the Equity Shares.

68. We may be affected by competition laws in India, the adverse application or interpretation of which could have an adverse effect on our business, operations and financial condition.

The Competition Act, 2002 ("**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to prevent such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition ("**AAEC**") is void and attracts substantial penalties. Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Indian central 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 CCI. In addition, on May 11, 2011, the CCI issued the 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 (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and gives the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia,* modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

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 extraterritorial powers and can investigate any agreements, abusive conduct, or combination occurring outside India if such agreement, conduct, or combination has an AAEC in India. Changing laws, rules and regulations and legal uncertainties, including adverse application or interpretation of corporate and tax laws, may adversely affect our business, results of operations and financial condition.

RISKS RELATING TO THE EQUITY SHARES AND THIS ISSUE

69. The Offer Price of our Equity Shares, price-to-earnings ratio, enterprise value to EBITDA ratio and market capitalization to revenue from continuing operations may not be indicative of the trading price of the Equity Shares upon listing on the Stock Exchanges pursuant to the Offer and, as a result, you may lose a significant part or all of your investment.

Our revenue from operations, EBITDA, and profit after tax for Fiscal 2024 was ₹ 2,027.49 million, ₹ 704.97 million and ₹ 492.80 million, respectively. Our market capitalization (based on the Offer Price) to revenue (Fiscal 2024) multiple is [●] times; and our price to earnings ratio (based on profit after tax for the year Fiscal 2024) is [●] at the upper end of the Price Band and [●] at the lower end of the Price Band.

The Offer Price will be determined by our Company in consultation with the BRLMs based on various factors and assumptions. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Managers through the Book Building Process, and will be based on numerous factors, including factors as described under "*Basis for Offer Price*" beginning on page 128 and may not be indicative of the market price for the Equity Shares after the Offer. Accordingly, the Offer Price, multiples and ratio may not be indicative of the market price of the Equity Shares on listing or thereafter. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our Company's control. Our Company cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

70. The average cost of acquisition of Equity Shares of the Selling Shareholders may be lower than the Offer Price.

The average cost of acquisition of the Equity Shares for the Selling Shareholders may be lower than the Offer Price. For details, see "*Basis for Offer Price*" and "*Capital Structure*" on pages 128 and 93, respectively. The Offer Price is not indicative of the price at which our Company has issued the Equity Shares in the past or that will prevail in the open market following listing of the Equity Shares.

71. The determination of the Price Band is based on various factors and assumptions, and the Offer Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Offer.

The determination of the Price Band is based on various factors and assumptions and will be determined in accordance with applicable law and in consultation with the BRLMs. Further, there can be no assurance that our key performance indicators ("**KPIs**") will improve or become higher than our listed comparable industry peers in the future or whether we will be able to successfully compete against the listed comparable industry peers in these KPIs in the future. An inability to improve, maintain or compete, or any reduction in such KPIs in comparison with the listed comparable industry peers may adversely affect the market price of our Equity Shares. Moreover, there are no standard methodologies in the industry for the calculations of such KPIs and as a result, the listed comparable industry peers may calculate and present such financial ratios in a different manner. There can be no assurance that our methodologies are correct or will not change and accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus.

72. Our Equity Shares have never been publicly traded, and, after the Offer, our Equity Shares may experience price and volume fluctuations, and an active trading market for our Equity Shares may not develop.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. The Offer Price of our Equity Shares will be determined in accordance with applicable law and in consultation with the BRLMs, through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for Offer Price*" on page 128 and may not be indicative of the market price for our Equity Shares after the Offer. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, volatility in the Stock Exchanges, securities markets in other jurisdictions, strategic actions by us or our competitors, variations in the growth rate of financial indicators, variations in revenue or earning estimates by research publications and changes in economic, legal and other regulatory factors. There is no assurance that investors in our Equity Shares will be able to resell their Equity Shares at or above the Offer Price.

73. ***Any future issuance of our Equity Shares or convertible securities or other equity linked instruments by us may dilute prospective investors' shareholding, and sales of our Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity that we issue, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares, including through the exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future issuances of Equity Shares or the disposal of Equity Shares by our major shareholders including our Promoters, or the perception that such issuance or sales may occur, may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the major Shareholders will not dispose of, pledge or encumber their Equity Shares. Any future issuances could also dilute the value of your investment in our Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

74. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have a material adverse effect on the trading price of, and returns on, our Equity Shares, independent of our operating results.***

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

75. ***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/Offer 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. Similarly, Retail Individual Bidders can revise or withdraw their bids at any time during the Bid/Offer Period and until the Bid/Offer Closing Date, but not thereafter. While we are required to complete all necessary formalities for listing and commencement of trading of our Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment within such period as may be prescribed by the SEBI, adverse events affecting the investors' decision to invest in our Equity Shares may arise between the date of submission of the Bid and Allotment. Therefore, QIBs and Non-Institutional Bidders will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise at any stage after the submission of their bids. Our Company may complete the Allotment of our Equity Shares even if such events occur, and such events limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Offer or cause the trading price of our Equity Shares to decline on listing.

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

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

77. ***Investors may be subject to Indian taxes arising out of income arising 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 is generally taxable in India. A securities transaction tax ("**STT**") is levied on equity shares sold on an Indian stock exchange. Any capital gains exceeding ₹125,000, realized on the sale of listed equity shares on a recognized stock exchange, held for more than 12 months may be subject to long-term capital gains tax in India at the rate of 12.50% (plus applicable surcharge and cess). This beneficial provision is, inter alia, subject to payment of STT. Further any capital gains realized on the sale of listed equity shares of an Indian company, held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India at the rate of 12.50% (plus applicable surcharge and cess), without indexation benefits.

Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less immediately preceding the date of transfer, will be subject to short-term capital gains tax in India at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

The Government of India has recently announced the Union Budget for Financial Year 2025 ("**Budget**"). Pursuant to the Budget, the Finance (No.2) Act, 2024 was enacted which inter alia increased the rate of taxation of short term capital gains and long-term capital gains arising from transfer of an equity share. There is no certainty on the impact of Finance (No. 2) Act, 2024 on tax laws or other regulations, which may adversely affect our Company's business, financial condition, results of operations or on the industry in which we operate. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realized upon the sale of the Equity Shares. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action.

78. The ability of investors to acquire and sell Equity Shares is restricted by the distribution and transfer restrictions set forth in this Draft Red Herring Prospectus.

No actions have been taken to permit a public offering of our Equity Shares in any jurisdiction, other than in India. As such, our Equity Shares have not and will not be registered under the U.S. Securities Act or the securities laws of any state of the U.S. or the law of any jurisdiction other than India. Furthermore, our Equity Shares are subject to restrictions on transferability and resale. You are required to inform yourself about and observe these restrictions. See "*Other Regulatory and Statutory Disclosures – Disclaimer in Respect of Jurisdiction*" on page 431. We, our representatives and our agents will not be obligated to recognize any acquisition, transfer or resale of our Equity Shares made other than in compliance with the restrictions set forth herein.

79. Investors will not be able to sell any Equity Shares on the Stock Exchange until we receive the appropriate listing and trading approvals.

Our Equity Shares will be listed on the Stock Exchanges. Pursuant to the applicable Indian laws, certain actions must be completed before our Equity Shares can be listed and trading of our Equity Shares may commence. Further, in accordance with Indian law, permission for listing of our Equity Shares will be granted only after our Equity Shares in this Offer have been Allotted and all other relevant documents authorizing the issuing of our Equity Shares have been submitted. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/ Offer Closing Date. There can be no assurance that our Equity Shares will be credited to investors' demat accounts, or that trading in our Equity Shares will commence within the prescribed time periods. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the time periods prescribed under law. This could lead to financial liabilities and reputational damage, which may adversely affect our business, financial condition, and results of operations.

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

Certain 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 Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SEBI Takeover Regulations**"), an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of our 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.

81. The current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below their respective issue prices.

The current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue prices. For further information, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*" on page 435. The factors that could affect the market price of our 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 that sustained trading will take place in our Equity Shares or provide any assurance regarding the price at which our Equity Shares will be traded after listing.

82. Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.

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

83. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price/ earnings multiple, market capitalization etc.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares (1)^	Up to [●] Equity Shares of face value of ₹2 each, aggregating up to ₹ 7,450.00 million
Of which:	
Fresh Issue(1)^	Up to [●] Equity Shares of face value of ₹2 each, aggregating up to ₹ 3,000.00 million
Offer for Sale(2)	Up to [●] Equity Shares of face value of ₹2 each, aggregating up to ₹ 4,450.00 million
The Offer consists of:	
A) QIB Portion(3)(4)(5)	Not more than [●] Equity Shares of face value of ₹2 each aggregating up to ₹ [●] million
of which:	
(i) Anchor Investor Portion(5)	Up to [●] Equity Shares of face value of ₹2 each
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of face value of ₹2 each
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares of face value of ₹2 each
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares of face value of ₹2 each
B) Non-Institutional Portion(3)(4)	Not less than [●] Equity Shares of face value of ₹2 each aggregating up to ₹ [●] million
of which:	
(a) One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million	[●] Equity Shares of face value of ₹2 each
(b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1.00 million	[●] Equity Shares of face value of ₹2 each
C) Retail Portion(3)(4)	Not less than [●] Equity Shares of face value of ₹2 each aggregating up to ₹ [●] million
Pre- and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	71,546,790 Equity Shares of face value of ₹2 each
Compulsorily Convertible Preference Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	460,531 Compulsorily Convertible Preference Shares of face value of ₹10 each
Equity Shares outstanding prior to the Offer (on a fully diluted basis)	85,362,720 Equity Shares of face value of ₹2 each**
Equity Shares outstanding after the Offer*	[●] Equity Shares of face value of ₹2 each
Use of Net Proceeds of the Offer	See "*Objects of the Offer*" on page 116 for information about the use of the Net Proceeds of the Offer. Our Company will not receive any proceeds from the Offer for Sale.

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

^ *Our Company, in consultation with the BRLMs, may consider an issue of specified securities as may be permitted under the applicable law to any person(s), aggregating up to ₹ 600.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the Fresh Issue size. Our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

** *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters – Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

(1) *The Offer has been authorized pursuant to the resolution passed by our Board dated December 27, 2024 and the Fresh Issue has been authorized by our Shareholders by a special resolution dated January 6, 2025. Further, each of the Selling Shareholders have consented to participate in the Offer for Sale*

pursuant to their consent letters each dated February 10, 2025 and our Board has taken on record the consent for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated February 10, 2025.

(2) *The Equity Shares arising from conversion of the CCPS held by the Investor Selling Shareholder and being offered by the Investor Selling Shareholder are eligible to form a part of the Offer for Sale in terms of the SEBI ICDR Regulations. Each of the Selling Shareholders, severally and not jointly, confirms that the Equity Shares being offered by it are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. For further details of authorizations received for the Offer, see "Other Regulatory and Statutory Disclosures" on page 428. The Equity Shares proposed to be offered by the Selling Shareholders will be issued upon conversion of the CCPS held by them as on date of this DRHP. The conversion of the CCPS will be completed prior to filing the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters – Key terms of other subsisting material agreements" beginning on pages 101 and 252. Each of the Selling Shareholders have severally and not jointly confirmed and approved its participation in the Offer for Sale and confirms that it has authorized the sale of its portion of the Offered Shares in the Offer for Sale as set out below:*

Selling Shareholders	***Total No. of Offered Shares***	***Aggregate Value of Offer for Sale***	***Date of corporate approval***	***Date of consent Letter***
Vinayak S. Gan^	Up to [●] Equity Shares of face value of ₹2 each	Up to ₹ 850.00 million	Not applicable	February 10, 2025
Abhijeet V. Gan^	Up to [●] Equity Shares of face value of ₹2 each	Up to ₹ 900.00 million	Not applicable	February 10, 2025
Water Access Acceleration Fund S.L.P.	Up to [●] Equity Shares of face value of ₹2 each	Up to ₹ 2,700.00 million	February 4, 2025	February 10, 2025

^ *Also, Promoter of our Company*

Note: As of the date of this Draft Red Herring Prospectus, the Investor Selling Shareholder does not hold any Equity shares. 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters – Key terms of other subsisting material agreements" beginning on pages 101 and 252.

(3) *Subject to valid bids being received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Undersubscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.*

(4) *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 Offer Price. The allocation to each Retail Individual Investors shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1.00 million and 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. The allocation to each Non-Institutional Investors shall not be less than the minimum 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.*

(5) *Our Company, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investors Allocation Price. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. For further information, see "Offer Procedure" on page 450.*

For further details, see *"Offer Structure"*, *"Offer Procedure"* and "*Terms of the Offer*" on pages 447, 450, and 441 respectively.

SUMMARY FINANCIAL INFORMATION

SUMMARY OF RESTATED STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million, except for share data and if otherwise stated)

Particulars	As at December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
ASSETS				
Non-current assets				
Property, Plant and Equipment	28.44	27.44	34.79	26.41
Right-of-Use Assets	54.85	13.22	5.81	5.92
Capital work-in-progress	-	-	-	-
Intangible assets	-	0.07	0.08	0.14
Financial Assets				
Investments				
Other financial assets	472.41	143.17	136.19	116.37
Deferred Tax assets	66.68	47.16	94.96	142.82
Other non-current assets	24.83	33.36	30.15	35.29
Total Non-current Assets	**647.21**	**264.42**	**301.98**	**326.95**
Current assets				
Inventories	623.80	206.15	65.96	30.93
Financial Assets				
Investments	52.54	253.15	-	-
Trade receivables	1,357.64	287.33	172.40	295.42
Cash and cash equivalents	21.22	519.97	275.93	62.71
Other bank balances	96.00	342.58	13.36	63.58
Other financial assets	1,199.46	983.35	402.77	175.41
Other current assets	223.93	95.54	28.93	55.90
Total Current Assets	**3,574.59**	**2,688.07**	**959.35**	**683.95**
Total Assets	**4221.80**	**2,952.49**	**1,261.33**	**1,010.90**
EQUITY AND LIABILITIES				
Equity Share Capital	143.09	23.85	28.11	26.05
Instruments entirely equity in nature	4.61	4.61	-	20.00
Other Equity	2909.37	2313.54	903.60	635.80
Non- controlling interest	-	-	-	-
Total Equity	**3057.07**	**2342.00**	**931.71**	**681.85**
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings	6.22	6.21	8.24	9.94
Lease liabilities	43.81	9.02	2.96	3.90
Other financial liabilities	3.71	3.31	3.64	4.82
Provisions	3.04	2.61	2.09	1.42
Total Non-current liabilities	**56.78**	**21.15**	**16.93**	**20.08**
Current liabilities				
Financial Liabilities				
Borrowings	398.21	166.11	29.14	151.69
Lease liabilities	11.05	5.12	3.12	2.09
Trade Payables				
Total outstanding dues of micro enterprises and small enterprises	60.66	95.84	2.28	0.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	359.69	185.10	199.24	121.10
Other financial liabilities	47.41	20.22	29.22	11.30
Other current liabilities	3.32	33.22	19.16	4.04
Provisions	29.84	18.83	19.78	7.32
Current Tax Liabilities (Net)	197.77	64.90	10.75	11.42
Total Current liabilities	**1107.95**	**589.34**	**312.69**	**308.97**
Total liabilities	**1164.73**	**610.49**	**329.62**	**329.05**
Total Equity and Liabilities	**4221.80**	**2,952.49**	**1,261.33**	**1,010.90**

SUMMARY OF RESTATED STATEMENT OF PROFIT AND LOSS

(in ₹ million, except for share data and if otherwise stated)

Particulars	For the nine-month period ended December 31, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Income				
Revenue From Operations	3,056.79	2,027.49	1,194.34	768.14
Other Income	39.69	40.94	21.52	20.45
Total Income	**3,096.48**	**2,068.43**	**1,215.86**	**788.59**
Expenses				
Cost of materials consumed	1,345.78	703.34	348.66	227.36
Purchase of Stock in trade	0.69	0.19	0.35	0.06
Changes in inventories of finished goods	-	7.70	(7.70)	15.18
Employee benefits expense	117.08	111.50	92.53	47.54
Finance costs	19.29	22.67	18.69	18.73
Depreciation and amortization expense	23.53	16.79	7.43	3.64
Other expenses	621.75	499.79	395.56	391.01
Total Expenses	**2128.12**	**1,361.98**	**855.52**	**703.52**
Restated Profit/(loss) before tax	**968.36**	**706.45**	**360.34**	**85.07**
Tax expense				
Current tax	272.82	165.89	62.29	29.40
Deferred tax	(19.52)	47.76	47.84	(31.08)
Total Tax expense	**253.30**	**213.65**	**110.13**	**(1.68)**
Restated Profit/(loss) after tax for the period	**715.06**	**492.80**	**250.21**	**86.75**
Restated Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
(i) Remeasurements of post-employment benefit obligations	0.01	0.08	0.04	1.07
(ii) Income tax relating to items above	-	-	-	-
Restated total other comprehensive income	**0.01**	**0.08**	**0.04**	**1.07**
Restated total comprehensive income for the period	**715.07**	**492.88**	**250.25**	**87.82**
Restated earnings per equity share of face value (₹ 2 each)				
Basic EPS	9.99	7.43	2.97	1.03
Diluted EPS	8.38	6.86	2.97	1.03

SUMMARY OF RESTATED STATEMENT OF CASH FLOWS

(in ₹ million, except for share data and if otherwise stated)

Particulars	For the nine-month period ended December 31, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Cash flow from operating activities				
Restated Profit before tax	968.36	706.45	360.34	85.07
Adjustments for:				
Depreciation and amortisation expense	10.39	11.18	4.45	2.43
Depreciation for Right of use assets	13.14	5.61	2.98	1.21
Interest on Lease Liability	4.00	1.09	0.60	0.17
Bad Debts and Expected credit loss	123.23	27.24	18.24	66.07
Interest on unwinding of Lease deposits	(0.47)	(0.04)	(0.02)	(0.02)
Finance Cost	15.29	20.03	18.09	18.56
Fair valuation gain on security deposits	(10.64)	(6.02)	(14.65)	(9.72)
Fair valuation of investments	(8.59)	-	2.71	-
Interest income on deposits	(19.71)	(23.20)	(6.80)	(7.49)
Profit on sale of investments	(0.28)	-	-	-
Operating profit before working capital changes	**1,094.72**	**742.34**	**385.94**	**156.28**
Adjustment for Decrease / (increase) operating assets				
Decrease/(increase) in inventories	(417.65)	(140.19)	(35.03)	(7.01)
Decrease/(increase) in trade receivables	(1,193.54)	(142.07)	106.55	(145.37)
Decrease/(increase) in other assets	(119.86)	(69.82)	32.11	(28.89)
Decrease/(increase) in Other financial assets	(534.71)	(581.54)	(232.53)	14.07
Adjustment for Increase / (decrease) in operating liabilities				
Increase/(decrease) in trade payables	139.66	79.42	78.64	31.29
Increase/(decrease) in provisions	11.45	(0.31)	13.19	1.65
Increase/(decrease) in other Liabilities	(29.90)	14.06	15.12	(3.16)
Increase/(decrease) in other financial liabilities	27.61	(9.33)	16.74	8.58
Cash generated from operations	**(1,022.22)**	**(107.44)**	**380.73**	**27.44**
Income taxes paid	(139.95)	(111.74)	(62.96)	(26.48)
Net cash inflow (used in) / generated from operating activities (A)	**(1,162.17)**	**(219.18)**	**317.77**	**0.96**
Cash flows from investing activities				
(Purchase) of fixed assets, including intangible assets	(11.32)	(3.82)	(12.95)	(1.69)
Sale proceeds of fixed assets	-	-	0.18	0.03
Sale / (Purchase of Mutual Fund investments (net)	209.20	(253.15)	2.71	-
Encashment of/(Investment in) fixed deposits with remaining maturity of more than 3 months (net)	246.58	(329.22)	50.22	53.00
Interest income on deposits	19.71	23.20	6.80	7.49
Proceeds from sale of investment	0.03	-	-	-
Net cash (used in) / generated from investing activities (B)	**464.20**	**(562.99)**	**41.54**	**58.83**
Cash Flow from financing activities				
Increase/(decrease) in long term borrowings	0.01	(2.03)	(1.70)	(154.85)
Increase/(decrease) in short term borrowings	232.10	136.97	(122.55)	177.90
Payment of lease liability, rentals and deposits	(17.58)	(6.01)	(3.35)	(2.53)
Finance cost	(15.29)	(20.03)	(18.09)	(27.11)
Dividend Paid	-	-	(0.40)	(0.40)
Proceeds from issue of equity shares & Instruments entirely equity in nature	-	987.32	-	-
Equity shares bought back	-	(70.01)	-	-
Net cash generated from / (used in) financing activities (C)	**199.24**	**1,026.21**	**(146.09)**	**(6.99)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(498.73)	244.04	213.22	52.80
Add: Cash and cash equivalents at the beginning of the financial year/period	519.97	275.93	62.71	9.91
Less: Adjustment to on account of sale of subsidiary	(0.02)	-	-	-

Particulars	**For the nine-month period ended December 31, 2024**	**For the Year ended March 31, 2024**	**For the Year ended March 31, 2023**	**For the Year ended March 31, 2022**
Cash and cash equivalents at the end of the year/period	**21.22**	**519.97**	**275.93**	**62.71**

GENERAL INFORMATION

Registered Office of our Company

Rite Water Solutions (India) Limited
Plot No. K-60, MIDC Industrial Area,
Hingna Road, Nagpur 440 016,
Maharashtra, India.
Telephone: +91 71 2222 0002
E-mail: info@ritewater.in
Website: www.ritewater.in

Corporate Office of our Company

Rite Water Solutions (India) Limited
Shree Vasant Enclave, 81,
P&T Colony, Cement Road,
Rana Pratap Nagar, Nagpur 440 022,
Maharashtra, India
Telephone: +91 71 2222 0002
E-mail: info@ritewater.in

For details of change in our Registered Office, see "*History and Certain Corporate Matters – Change in the registered office of our Company*" on page 240.

Company registration number and corporate identity number

(a) **Registration number**: 148812

(b) **Corporate identity number**: U29100MH2004PLC148812

Address of the RoC

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai which is situated at the following address:

Registrar of Companies, Maharashtra at Mumbai
100, Everest, Marine Drive
Mumbai 400 002
Maharashtra, India

Board of Directors

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

Name	Designation	DIN	Address
Vinayak S. Gan	Chairman and Whole-time director	01581401	Plot no. 19, Krishna Kunj, R.P.T.S Road, Near Matey Chowk Friends Colony, Ranapratap Nagar, Nagpur 440 022, Maharashtra, India
Abhijeet V. Gan	Managing Director and Chief Executive Officer	01350305	Plot no. 19, Krishna Kunj, R.P.T.S Road, Near Matey Chowk Friends Colony, Ranapratap Nagar, Nagpur 440 022, Maharashtra, India
Aparna Krishnakant Pittie	Non-Executive Nominee Director	07857183	601, Silver Leaf, Narangi Baug Road, Off Boat Club, Pune 411001, Maharashtra, India
Vinod K. Verma	Independent Director	00331467	2526, Sector-D, Pocket-2, Vasant Kunj, Southwest Delhi 110070, Delhi, India
Ashutosh Prabhakar Joshi	Independent Director	07764733	Sarthak', Plot No. 40D, 2nd Lane behind Hitavada Press, Dhantoli, Nagpur 440012, Maharashtra, India
Khushboo Anish Pasari	Independent Director	07587383	Plot No 57/A, Asha Niketan, C.A. Road, Darodkar Chowk, Itwari, Nagpur 440032, Maharashtra, India

* *Aparna Krishnakant Pittie is nominated on our Board by Water Access Acceleration Fund S.L.P. For further details, see "Our Management-Arrangement or understanding with major Shareholders, customers, suppliers, or others pursuant to which our Directors were selected as a Director or Senior Management" on page 260.*

For further details of our Board of Directors, see "*Our Management – Board of Directors*" on page 257.

Company Secretary and Compliance Officer

Amit Ahuja is our Company Secretary and Compliance Officer. His contact details are as set forth below:

Amit Ahuja
Rite Water House, Shree Vasant Enclave,
81, P&T Colony, Cement Road,
Rana Pratap Nagar, Nagpur 440 022,
Maharashtra, India
Telephone: +91 71 2222 0002
E-mail: cs@ritewater.in

Investor grievances

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

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving 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, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose a copy of the Acknowledgment Slip or provide the application number received from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, 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 BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India
Telephone: +91 22 6630 3030/3262
Email: ritewater.ipo@jmfl.com
Website: www.jmfl.com
Investor grievance E-mail: grievance.ibd@jmfl.com
Contact person: Prachee Dhuri
SEBI registration no.: INM000010361

Axis Capital Limited
1st Floor, Axis House,
P.B. Marg, Worli,
Mumbai 400 025,
Maharashtra, India
Telephone: +91 22 4325 2183
Email: ritewater.ipo@axiscap.in
Website: www.axiscapital.co.in
Investor grievance E-mail: complaints@axiscap.in
Contact person: Mayuri Arya / Pratik Pednekar
SEBI registration no.: INM000012029

Syndicate Members

[●]

Statement of *inter-se* allocation of responsibilities among the BRLMs

The responsibilities and coordination by the BRLMs for various activities in the Offer are as follows:

Sr. No.	Activity	Responsibility	Coordination
1.	Capital structuring, due diligence of Company including its operations / management / business plans / legal etc., drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalization of Red Herring Prospectus, Prospectus, Offer Agreement, Underwriting Agreements and RoC filing	JM Financial, Axis	JM Financial
2.	Drafting and approval of all statutory advertisements	JM Financial, Axis	JM Financial
3.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 2 above, including corporate advertising and brochures and filing of media compliance report.	JM Financial, Axis	Axis
4.	Appointment of intermediaries, Registrar to the Offer, advertising agency, Monitoring Agency, printer (including coordination of all agreements, except Monitoring Agency Agreement)	JM Financial, Axis	JM Financial
5.	Appointment of all other intermediaries, including Sponsor Bank, Share Escrow Agent etc. (including coordination of all agreements including Monitoring Agency Agreement)	JM Financial, Axis	Axis
6.	Preparation of road show presentation and FAQs	JM Financial, Axis	Axis
7.	International institutional marketing of the Offer, which will cover, inter alia: • Marketing strategy • Finalising the list and division of international investors for one-to-one meetings Finalising international road show and investor meeting schedules	JM Financial, Axis	Axis
8.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Marketing strategy • Finalising the list and division of domestic investors for one-to-one meetings Finalising domestic road show and investor meeting schedules	JM Financial, Axis	JM Financial
9.	Non-institutional marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and Formulating strategies for marketing to Non –Institutional Investors	JM Financial, Axis	Axis
10.	Retail marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget, frequently asked questions at retail road shows • Finalising brokerage, collection centres • Finalising centres for holding conferences for brokers etc. Follow-up on distribution of publicity and Offer material including form, Red Herring Prospectus/ Prospectus and deciding on the quantum of the Offer material	JM Financial, Axis	JM Financial
11.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading. Coordination with Stock Exchanges for Anchor coordination, Anchor CAN and intimation of anchor allocation and submission of letters to regulators post completion of anchor allocation	JM Financial, Axis	Axis
12.	Managing the book and finalization of pricing in consultation with Company	JM Financial, Axis	Axis
13.	Post-Offer activities – management of escrow accounts, finalisation of the basis of allotment based on technical rejections, post Offer stationery, essential follow-up steps including follow-up with bankers to the Offer and Self Certified Syndicate Banks and coordination with various agencies connected with the post-offer activity such as registrar to the offer, bankers to the offer, Self-Certified Syndicate Banks, etc. listing of instruments, demat credit and refunds/ unblocking of monies, announcement of allocation and dispatch of refunds to Bidders, etc., payment of the applicable STT on behalf of Selling Shareholders, coordination for investor complaints related to the Offer, including responsibility for underwriting arrangements, submission of final post issue report.	JM Financial, Axis	Axis

Legal Counsel to our Company as to Indian Law

Trilegal
One World Centre
10th Floor, Tower 2A &2B,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai 400 013

Telephone: +(91) 22 4079 1000

Registrar to the Offer

Bigshare Services Private Limited
Office No S6-2, 6th floor,
Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East)
Mumbai 400093
Maharashtra, India
Telephone: +91 2262638200
E-mail: ipo@bigshareonline.com
Investor grievance E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Jibu John
SEBI Registration No.: INR000001385
URL of SEBI website: www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10
CIN: U99999MH1994PTC076534

Banker(s) to the Offer

[●]

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 Bidders), 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.

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

Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Eligible SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI ICDR Master Circular, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appear on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, and updated from time to time.

Syndicate SCSB Branches

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

Registered Brokers

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

Registrar and Share Transfer Agents

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

Collecting Depository Participants

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

Experts

Except as stated below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

Our Company has received the written consent dated February 10, 2025 from our Statutory Auditors, PKF Sridhar & Santhanam LLP, Chartered Accountants, to include their name as required under section 26 (1) 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 Auditors, and in respect of their (i) examination report dated February 6, 2025 on the Restated Consolidated Financial Statements; and (ii) the statement of special tax benefits available to our Company and our shareholders and our Material Subsidiary under the direct and indirect tax laws in India dated February 10, 2025, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

Our Company has also received written consent dated February 10, 2025, from the independent chartered accountant, namely V S Nasery & Co., having firm registration number 106949W, holding a valid peer review certificate from ICAI, 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 Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company.

Our Company has also received written consent dated February 10, 2025, from the independent chartered engineer, namely Ambaselkar Associates L.L.P, having membership number FJ08701-7 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 Companies Act, 2013 in relation to the certificate dated February 10, 2025 certifying *inter alia* authorised installed capacity and capacity utilisation of our facilities.

Our Company has received a written consent dated February 10, 2025, from the Practicing Company Secretary, namely, Yuti Nagarkar, having membership number FCS-9317, 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 Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company, 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.

Statutory Auditor to our Company

PKF Sridhar Santhanam LLP
Chartered Accountants
201/101, Center Point Building,
Dr Baba Saheb Ambedkar Rd, Opp. Bharatmata Cinema,
Parel, Mumbai - 400 012,
Maharashtra, India
E-mail: dhiraj@pkfindia.in / sands@pkfindia.in / mumbai@pkfindia.in
Telephone: + 91 (22) 2418 0163
Firm registration number: 003990S/S200018
Peer review number: 014539

Changes in Auditors

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

Bankers to our Company

HDFC Bank Limited 4th Floor, Fidvi Tower, Mount Road, Sadar, Nagpur 440001 Maharashtra, India **Telephone:** +91 8055456144/ 9372499435 **Email:** raunak.vora@hdfcbank.com Samir.gajare@hdfcbank.com **Website:** www.hdfcbank.com	**IndusInd Bank Limited** Kalyani Nagar Branch, Forteliza Apartments, GE-132, Kalyani Nagar, Nagpur 440 014 East High Court Road, Ramdaspeth, Nagpur 440 010 Maharashtra, India **Telephone:** +91 9823440950 **Email:** anup.baska@indusind.com / vikram.singhdeo@indusind.com **Website:** www.indusind.com

Grading of the Offer

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

Appraising Entity

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

Monitoring Agency

Our Company will appoint a monitoring agency prior to the filing of the Red Herring Prospectus in accordance with Regulation 41 of SEBI ICDR Regulations, for monitoring of the utilisation of the proceeds from the Fresh Issue. For details in relation to the proposed utilisation of the proceeds from the Fresh Issue, please see "***Objects of the Issue***" on page 116.

Credit Rating

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

Debenture Trustee

As the Offer is of Equity Shares, the appointment of trustee is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus has been filed through SEBI's online intermediary portal at https://siportal.sebi.gov.in, as specified in Regulation 25(8) of the SEBI ICDR Regulations and in accordance with SEBI master circular bearing reference no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024. It will also be filed at:

Securities and Exchange Board of India

Corporation Finance Department Division of Issues and Listing

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

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act would be filed with the RoC at its office and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office, and through the electronic portal.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of

[●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date. For details, see "*Offer Procedure*" on page 450.

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. In addition to this, the Retail Individual Investors shall 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 by using the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

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

For further details, see "*Terms of the Offer*" and "*Offer Procedure*" on pages 441 and 450, respectively.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. Each of the Selling Shareholders has, severally and not jointly, specifically confirmed that it will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to it, in relation to its portion of the Offered Shares. In this regard, our Company and the Selling Shareholders have appointed the Book Running Lead Managers to manage this Offer and procure Bids for this Offer.

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

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

For further details on the method and procedure for Bidding, see "*Offer Procedure*" and "*Offer Structure*" on pages 450 and 447 respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

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

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC)

(₹ in million)

Name, address, telephone and e-mail address of the Underwriters	Indicative Number of Equity Shares of face value of ₹2 each to be Underwritten	Amount Underwritten
[●]	[●]	[●]
[●]	[●]	[●]

The above-mentioned amount provided for underwriting commitment is indicative and will be finalized after determination of the Offer Price and Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors, the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock 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 commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to Bidders procured by them.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

CAPITAL STRUCTURE

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

(in ₹, except share data)

S. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A)	**AUTHORISED SHARE CAPITAL(1)**		
	100,000,000 equity shares of face value of ₹2 each	200,000,000	-
	2,000,000 preference shares of face value ₹ 10 each	20,000,000	
	Total	**220,000,000**	
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL (BEFORE THE OFFER AND PRIOR TO CONVERSION OF THE COMPULSORILY CONVERTIBLE PREFERENCE SHARES)**		
	71,546,790 Equity Shares of face value of ₹ 2 each	143,093,580	-
	460,531 preference shares of face value of ₹ 10 each	4,605,310	-
C)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL (BEFORE THE OFFER AND POST CONVERSION OF THE COMPULSORILY CONVERTIBLE PREFERENCE SHARES)**		
	85,362,720 Equity Shares of face value of ₹ 2 each(5)	170,725,440	
D)	**PRESENT OFFER(2)**		
	Offer of up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 7,450.00 million (3)	[●]	[●]
	Of which		
	Fresh Issue of up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 3,000.00 million(3)		
	Offer for Sale of up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 4,450.00 million(4)(5)		
E)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER***		
	[●] Equity Shares of face value of ₹ 2 each	[●]	[●]
F)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer *(prior to the conversion of CCPS)*		870,985,347
	After the Offer*		[●]

* *To be updated upon finalisation of the Offer Price, and subject to Basis of Allotment.*

(1) *For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "History and Certain Corporate Matters – Amendments to the Memorandum of Association" on page* 249.

(2) *The Offer has been approved by our Board pursuant to the resolution passed at its meeting held on December 27, 2024 and our Shareholders have authorized the Fresh Issue pursuant to a special resolution passed at their meeting held on January 6, 2025. Further, each of the Selling Shareholders have consented to participate in the Offer for Sale pursuant to their consent letters each dated February 10, 2025 and our Board has taken on record the consent for the Offer for Sale by the Selling Shareholders pursuant to its resolution dated February 10, 2025.*

(3) *Our Company, in consultation with the BRLMs, may consider an issue of specified securities as may be permitted under the applicable law to any person(s), aggregating up to ₹ 600.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the Fresh Issue size. Our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

(4) *The Equity Shares arising from conversion of the CCPS held by the Investor Selling Shareholder and being offered by the Investor Selling Shareholder are eligible to form a part of the Offer for Sale in terms of the SEBI ICDR Regulations. Each of the Selling Shareholders, severally and not jointly, confirms that the Equity Shares being offered by it are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. For further details of authorisation received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" on page 428.*

(5) *As of the date of this Draft Red Herring Prospectus, the Investor Selling Shareholder does not hold any Equity shares. As on the date of this Draft Red Herring Prospectus they hold 460,531 CCPS. Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters - Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

Changes in the authorised share capital of our Company

For details of the changes to the authorised share capital of our Company in the past 10 years, see "*History and Certain Corporate Matters - Amendments to our Memorandum of Association in the last 10 years*" on page 249.

Notes to 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	Nature of allotment / buyback	Details of allottees/ shareholders and equity shares allotted / bought back	Number of equity shares allotted / bought back	Offer price per equity share (₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
September 24, 2004	Initial Subscription to the Memorandum of Association[(1)]	**Name** – **No. of equity shares of face value of ₹ 100 allotted** Vaishali Vinayak Gan – 500 Radhika Dorle – 500	1,000	100.00	Cash	1,000	100,000
March 30, 2008	Further issue[(2)]	**Name** – **No. of equity shares of face value of ₹ 100 allotted** Vaishali Vinayak Gan – 1,700 Radhika Dorle – 500 Abhijeet V. Gan – 1,800	4,000	100.00	Cash	5,000	500,000
January 11, 2010	Further issue	**Name** – **No. of equity shares of face value of ₹ 100 allotted** Abhijeet V. Gan – 5,000 Vaishali Vinayak Gan – 5,000 Radhika Dorle – 3,000 Vinay Dorle – 2,000	15,000	100.00	Cash	20,000	2,000,000
March 31, 2011	Further issue	**Name** – **No. of equity shares of face value of ₹ 100 allotted** Radhika Dorle – 1,000	1,000	100.00	Cash	21,000	2,100,000
March 5, 2012	Further issue pursuant to conversion of loan[(3)]	**Name** – **No. of equity shares of face value of ₹ 100 allotted** Abhijeet V. Gan – 18,000 Vaishali Vinayak Gan – 23,000	59,000	100.00	Cash[(4)]	80,000	8,000,000

Date of allotment	Nature of allotment / buyback	Details of allottees/ shareholders and equity shares allotted / bought back	Number of equity shares allotted / bought back	Offer price per equity share (₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		Radhika Dorle: 8,000 Vinay Dorle: 10,000					
March 27, 2013	Further issue pursuant to conversion of loan	**Name** / **No. of equity shares of face value of ₹ 100 allotted** Vinayak S. Gan: 20,000	20,000	100.00	Cash(4)	100,000	10,000,000
April 15, 2013	Further issue	**Name** / **No. of equity shares of face value of ₹ 100 allotted** Geetadevi Mohta: 1 Girdhar Chandak: 1 Laxmikant Chandak (Laxmikant Chandak & Sons (HUF)): 1 Renu Santosh Chandak: 1	4	3,000.00	Cash	100,004	10,000,400
Pursuant to a resolution of our Board dated December 11, 2013, and a resolution of our shareholders dated January 6, 2014, each equity share of our Company bearing face value of ₹100 each was sub-divided into 10 equity shares of bearing face value of ₹10 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 100,004 equity shares bearing face value of ₹100 each to 1,000,040 equity shares bearing face value of ₹10 each.							
January 07, 2014	Bonus issue in the ratio of 1 equity share for every one equity share held by the shareholders	**Name** / **No. of equity shares of face value of ₹ 10 allotted** Abhijeet V. Gan: 250,000 Vaishali Vinayak Gan: 300,000 Radhika Dorle: 130,000 Vinayak S. Gan: 320,000	1,000,000	N.A.	N.A.	2,000,040	20,000,400
January 07, 2014	Further issue	**Name** / **No. of equity shares of face value of ₹ 10 allotted** Abhijeet V. Gan: 54,499 Radhika Dorle: 116,536	171,035	10.00	Cash	2,171,075	21,710,750
March 29, 2014	Further issue	**Name** / **No. of equity shares of face value of ₹ 10 allotted**	434,216	92.12*	Cash	2,605,291	26,052,910

Date of allotment	Nature of allotment / buyback	Details of allottees/ shareholders and equity shares allotted / bought back	Number of equity shares allotted / bought back	Offer price per equity share (₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		SIDBI Trustee Co. Ltd. on behalf of Samriddhi Fund: 434,216					
March 31, 2023	Conversion of 2% convertible cumulative preference shares of ₹100 each into equity shares(5)	**Name** / **No. of equity shares of face value of ₹ 10 allotted** SIDBI Trustee Co. Ltd. on behalf of Samriddhi Fund: 205,300	205,300	97.42*	Cash	2,810,591	28,105,910
April 12, 2023	Buy-back of shares from the existing shareholders as on the record date, being March 31, 2023	**Name of Allottee** / **No. of equity shares of face value of ₹ 10 allotted** SIDBI Trustee Co. Ltd. on behalf of Samriddhi Fund: (639,516)	(639,516)	109.46	Cash	2,171,075	21,710,750
February 7, 2024	Private placement	**Name of Allottee** / **No. of equity shares of face value of ₹ 10 allotted** Mukul Mahavir Agrawal: 82,250 Sanjay Kumar Singhal: 45,065 GJNX Ventures: 19,750 1955 Venture Fund: 17,323 Comercinate Enterprises Private Limited: 6,600 Sandhana Bhandari: 5,910 Lumos Advisors LLP: 5,270 Malav Prakashkumar Shah: 3,925 Ceramet Consultants Private Limited: 3,300 Asha A Patankar: 3,300 Shagun Capital Venture: 3,300	213,818	1,520.00	Cash	2,384,893	23,848,930

<table>
<tr><th>Date of allotment</th><th>Nature of allotment / buyback</th><th>Details of allottees/ shareholders and equity shares allotted / bought back</th><th>Number of equity shares allotted / bought back</th><th>Offer price per equity share (₹)</th><th>Nature of consideration</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (₹)</th></tr>
<tr><td></td><td></td><td><table>
<tr><td>Darshana Rahul Golecha</td><td>3,300</td></tr>
<tr><td>Abhiraj Balraj Jalota</td><td>3,300</td></tr>
<tr><td>Monika Abhiraj Jalota</td><td>3,300</td></tr>
<tr><td>Vijay Ramvallabh Khetan</td><td>3,300</td></tr>
<tr><td>Alpesh Rajesh Modi – HUF</td><td>2,625</td></tr>
<tr><td>Sant Kumari Satish Agrawal</td><td>1,000</td></tr>
<tr><td>Chintan Hemantkumar Desai</td><td>1,000</td></tr>
</table></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="8">Pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, each equity share of our Company bearing face value of ₹10 each was sub-divided into 5 equity shares of bearing face value of ₹2 each. Accordingly, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 2,384,893 equity shares bearing face value of ₹10 each to 11,924,465 equity shares bearing face value of ₹2 each.</td></tr>
<tr><td>November 15, 2024</td><td>Bonus issue in the ratio of 5 new equity shares for every one equity share held by the shareholders</td><td><table>
<tr><th>Name of Allottee</th><th>No. of equity shares of face value of ₹ 2 allotted</th></tr>
<tr><td>Vinayak S. Gan</td><td>29,126,000</td></tr>
<tr><td>Abhijeet V. Gan</td><td>18,650,875</td></tr>
<tr><td>Omkar Vishwas Pathak</td><td>4,375,000</td></tr>
<tr><td>Vishwas Vasant Pathak</td><td>2,125,000</td></tr>
<tr><td>Mukul Mahavir Agrawal</td><td>2,056,250</td></tr>
<tr><td>Gunavanth Kumar Rekha</td><td>493,750</td></tr>
<tr><td>Jinendra G</td><td>433,075</td></tr>
<tr><td>Comercinate Enterprises Private Limited</td><td>165,000</td></tr>
<tr><td>Sadhana Bhandari</td><td>147,750</td></tr>
<tr><td>Malav Prakashkumar Shah</td><td>98,125</td></tr>
<tr><td>Ceramet Consultants Private Limited</td><td>82,500</td></tr>
<tr><td>Darshana Rahul Golecha</td><td>82,500</td></tr>
<tr><td>Shankesh Vijayakumar</td><td>82,500</td></tr>
</table></td><td>59,622,325</td><td>N.A.</td><td>N.A.</td><td>71,546,790</td><td>143,093,580</td></tr>
</table>

Date of allotment	Nature of allotment / buyback	Details of allottees/ shareholders and equity shares allotted / bought back		Number of equity shares allotted / bought back	Offer price per equity share (₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		Vijay Ramvallabh Khetan	82,500					
		Asha Arun Patankar	82,500					
		Abhiraj Jalota	82,500					
		Monika Jalota	82,500					
		Sunil Khetpalia	71,250					
		Alpesh Rajesh Modi HUF	65,625					
		Hirachand Padma Jain	65,000					
		Lumos Advisors LLP	60,500					
		Nirmala Vijaykumar	48,750					
		Avinash	48,750					
		Vikas Kumar Gadiya	48,750					
		Harichand Mohanchand	48,750					
		Manoj Amlokchand Gadiya	48,750					
		Mithalal Nirmal Kumar	48,750					
		Jaya Prem Rajdev	48,375					
		Sanjay Kumar Singhal	41,125					
		Rajnikant Meghji Shah	40,325					
		Vijayraj Kanmal Jain	32,500					
		Swapnil Jatinbhai Shah	32,250					
		Singhvi Heritage LLP	32,250					
		Vardhman Kothari	32,250					
		Nav Ratan Bhaiya HUF	32,250					
		Chintan Hemantkumar Desai	25,000					
		Sant Kumari Satish Agrawal	25,000					
		Pavan Sethia	24,200					
		A G Mehta (HUF)	24,200					
		Rinku Jain	24,200					
		Akilandeswari Selvamurathy	24,200					
		Thiyagarajan Velayutham	24,200					
		Wealth Wise Capital Consulting LLP	24,200					
		Caprize Investment Managers Private Limited	24,200					

<table>
<tr><th>Date of allotment</th><th>Nature of allotment / buyback</th><th>Details of allottees/ shareholders and equity shares allotted / bought back</th><th>Number of equity shares allotted / bought back</th><th>Offer price per equity share (₹)</th><th>Nature of consideration</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (₹)</th></tr>
<tr><td></td><td></td><td><table>
<tr><td>Naba Krushna Dash</td><td>24,200</td></tr>
<tr><td>Hemangini Kanakray Thaker</td><td>24,200</td></tr>
<tr><td>Ayushi Singhal</td><td>24,175</td></tr>
<tr><td>Rashmi Vipul Surana</td><td>22,450</td></tr>
<tr><td>Jai Shankar Raghava Chandra</td><td>17,850</td></tr>
<tr><td>Mamata Jitendra Jain</td><td>16,875</td></tr>
<tr><td>Rekha</td><td>16,875</td></tr>
<tr><td>Arunkumar Bhavana</td><td>16,875</td></tr>
<tr><td>Shalini MG</td><td>16,150</td></tr>
<tr><td>Prashant Mishra</td><td>16,125</td></tr>
<tr><td>Jatin Sachdev</td><td>16,125</td></tr>
<tr><td>Mangilal Rakhecha</td><td>16,125</td></tr>
<tr><td>Arthy V</td><td>16,125</td></tr>
<tr><td>Divya Mahendrakumar Kankaria</td><td>10,000</td></tr>
<tr><td>Chengalrayan Premavathy</td><td>7,500</td></tr>
<tr><td>Visisth Servies Limited</td><td>7,500</td></tr>
<tr><td>Jyothi Bafna</td><td>7,500</td></tr>
<tr><td>Balkrishan Poddar</td><td>6,250</td></tr>
<tr><td>Gaurav Singhvi</td><td>5,000</td></tr>
<tr><td>Rahul Sikaria</td><td>5,000</td></tr>
<tr><td>Anurag Poddar</td><td>5,000</td></tr>
<tr><td>Aayush Srisrimal</td><td>3,750</td></tr>
<tr><td>Siddharth Parakh</td><td>2,500</td></tr>
<tr><td>Vipul Nagindas Dhami (HUF)</td><td>2,500</td></tr>
<tr><td>Rupa Das</td><td>1,750</td></tr>
</table></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Total</td><td></td><td></td><td></td><td></td><td></td><td>71,546,790</td><td>143,093,580</td></tr>
</table>

(1) *500 equity shares each initially subscribed by Vaishali Vinayak Gan and Radhika Gan respectively pursuant to the MoA were taken on record by the Board by way of a resolution dated October 1, 2004.*

(2) *Form filing for the allotment of 4,000 equity shares dated March 30, 2008 is not traceable. Accordingly, disclosures in relation to the change in our issued, subscribed and paid-up share capital have been made in reliance of (i) board resolution or allotment, (ii) share allotments register, (iii) annual returns of our Company; and (iv) certificate dated February 4, 2025 from Yuti Nagarkar, Practicing Company Secretary. Please also see "Risk Factors – We are unable to trace certain of our corporate filings with respect to certain corporate records and secretarial forms filed by us with the Registrar of Companies and there are certain factual inaccuracies in our corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to such matters, which may adversely impact our financial condition and reputation" on page 61.*

(3) *The board resolution for allotment of 59,000 equity shares dated March 5, 2012 pursuant to conversion of loan erroneously inter-changed the number of shares allotted to Radhika Dorle and Vinay Dorle. Accordingly, disclosures in relation to the number of allotted shares have been made in reliance of (i) list of allottees attached to the Form 2; (ii) register of shares; and (iv) certificate dated February 4, 2025 from Yuti Nagarkar, Practicing Company Secretary. Please also see "Risk Factors – We are unable to trace certain of our corporate filings with respect to certain corporate records and secretarial forms filed by us with the Registrar of Companies and there are certain factual inaccuracies in our corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to such matters, which may adversely impact our financial condition and reputation" on page 61.*

(4) *Consideration was received at the time of disbursement of the respective loans.*

(5) *200,000 2% convertible cumulative preference shares of ₹100 each held by SIDBI Trustee Co. Ltd. on behalf of Samriddhi Fund were converted into 205,300 equity shares on March 31, 2023. The consideration was received at the time of allotment of the CCPS. The CCPS were issued at the price of ₹100 each and were converted to Equity Shares at the face value of ₹10 and a premium of ₹87.42 per Equity Share.*

* *Rounded off to two decimal places.*

2. Preference share capital history of our Company

(a) The following table sets forth the history of the preference share capital of our Company:

Date of allotment	Nature of allotment	Details of allottees/ shareholders and preference shares allotted		Number of preference shares allotted	Offer price per preference share (₹)	Nature of consideration	Cumulative number of preference shares	Cumulative paid-up preference share capital (₹)
		Name	**No. of 2% convertible cumulative preference shares of face value of ₹ 100 allotted**					
June 4, 2015	Rights issue	SIDBI Trustee Co. Ltd. on behalf of Samriddhi Fund	140,000	140,000	100.00	Cash	140,000	14,000,000
December 28, 2015	Rights issue	SIDBI Trustee Co. Ltd. on behalf of Samriddhi Fund	60,000	60,000	100.00	Cash	200,000	20,000,000
March 31, 2023	Conversion of convertible cumulative preference shares into equity shares(1)	SIDBI Trustee Co. Ltd. on behalf of Samriddhi Fund	-	(200,000)	-	-	Nil	Nil
Pursuant to a resolution of our Board dated September 19, 2023, and a resolution of our shareholders dated September 19, 2023, the nomenclature of “2% Convertible Cumulative Preference Shares” was changed to “Preference Shares”, and each preference share of our Company bearing face value of ₹100 each was sub-divided into 10 preference shares of bearing face value of ₹10 each.								

Date of allotment	Nature of allotment	Details of allottees/ shareholders and preference shares allotted		Number of preference shares allotted	Offer price per preference share (₹)	Nature of consideration	Cumulative number of preference shares	Cumulative paid-up preference share capital (₹)
		Name	No. of preference shares of face value of ₹ 10 allotted					
November 7, 2023	Private placement	Water Access Acceleration Fund S.L.P.	460,531	460,531	1,445.00*	Cash	460,531	4,605,310
Total							**460,531**	**4,605,310**

(1) 200,000 2% convertible cumulative preference shares of ₹100 each held by SIDBI Trustee Co. Ltd. on behalf of Samriddhi Fund were converted into 205,300 equity shares on March 31, 2023.

***** *Rounded off to two decimal places.*

Terms of conversion of CCPS

The details of outstanding CCPS allotted by our Company are set forth in the table below:

Name of the shareholder	Date of allotment	Nature of Allotment	Number of CCPS allotted	Face value per preference share (₹)	Form of consideration	Estimated conversion ratio	Maximum number of equity shares of face value of ₹2 each to be allotted post conversion of CCPS*	Issue price per CCPS (in ₹)	Estimated price per equity share (based on conversion) (in ₹)**	Material terms and conditions		
										Interest rate	Maximum Tenure (years)	Other material terms
Water Access Acceleration Fund S.L.P	November 7, 2023	Private placement	460,531	10	Cash	1:1	13,815,930	1,445.00***	48.17***	NA	NA	For details of the material terms of CCPS, please see "*History and Certain Corporate Matters – Key terms of other subsisting material agreements*" on page 252
Total			**460,531**				**13,815,930**					

* *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face*

value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "History and Certain Corporate Matters - Key terms of other subsisting material agreements" beginning on page 252.

** *Computed based on the maximum number of equity shares to be allotted post conversion of CCPS.*

*** *Rounded off to two decimal places.*

3. **Shares issued for consideration other than cash or by way of a bonus issue**

Except as disclosed above in "*Capital Structure-Notes to Capital Structure-Equity share capital history of our Company*" on page 94, respectively, our Company has not issued any shares for consideration other than cash or by way of a bonus issue.

4. **Shares issued out of revaluation reserves**

Our Company has not issued any shares out of revaluation reserves since its incorporation.

5. **Issue of equity shares pursuant to Sections 391 to 394 of the Companies Act 1956 or Sections 230 to 234 of the Companies Act, 2013**

As on the date of this Draft Red Herring Prospectus, our Company has not issued or allotted any equity shares pursuant to schemes of arrangement approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

6. **Issue of Shares at a price lower than the Offer Price in the last year**

The Offer Price, determined by our Company in consultation with the BRLMs after the Bid / Offer Closing Date, is [●].

Except as disclosed under "*Notes to the Capital Structure – Equity share capital history of our Company*" on page 94, our Company has not issued any shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

7. **Issue of equity shares under employee stock option schemes**

As on the date of the Draft Red Herring Prospectus, no equity shares have been issued in pursuance to any employee stock option scheme of our Company.

Pursuant to a resolution of our Board of Directors dated July 17, 2024, and Shareholders' resolution dated January 6, 2025, our Company had instituted an employee stock option scheme, namely "Rite Water Solutions (India) Limited - Employee Stock Option Scheme 2024" ("**ESOS 2024**").

As on the date of this Draft Red Herring Prospectus, 348,340 options have been granted by our Company under ESOS 2024. The details of ESOS 2024 as certified by V S Nasery & Co., Chartered Accountants, having firm registration number 106949W, pursuant to their certificate dated February 10, 2025 are as follows:

Particulars	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2024**	**Nine-month period ended December 31, 2024**	**From January 1, 2025 until the date of this Draft Red Herring Prospectus**
Total options outstanding as at the beginning of the period	Nil	Nil	Nil	Nil	Nil
Total options granted during the year/period	Nil	Nil	Nil	Nil	348,340
No of employees to whom options are granted	Nil	Nil	Nil	Nil	261

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	Nine-month period ended December 31, 2024	From January 1, 2025 until the date of this Draft Red Herring Prospectus
Vesting Period	Not applicable	Not applicable	Not applicable	Not applicable	Plan I – 3 years from January 31, 2025 Plan II – 4 years from January 31, 2025 Plan III – 4 years from January 31, 2025
Exercise price of options in ₹ (as on the date of grant options)	Not applicable	Not applicable	Not applicable	Not applicable	₹ 2
Options forfeited/lapsed/ cancelled during the year/period	Not applicable	Not applicable	Not applicable	Not applicable	Nil
Variation of terms of options	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Money realized by exercise of options	Not applicable	Not applicable	Not applicable	Not applicable	Nil
Total number of options outstanding in force	Not applicable	Not applicable	Not applicable	Not applicable	348,340
Total options vested (excluding the options that have been exercised)	Not applicable	Not applicable	Not applicable	Not applicable	Nil
Options exercised during the year/period (since implementation of the ESOS 2024)	Not applicable	Not applicable	Not applicable	Not applicable	Nil
The total number of Equity Shares of face value of ₹ 2 each that would arise as a result of exercise of granted options (net of forfeited/ lapsed/ cancelled options)	Not applicable	Not applicable	Not applicable	Not applicable	348,340
Employee wise details of options granted to:					
(a) Key managerial personnel	Nil	Nil	Nil	Nil	Shyam Balkrishna Bhattbhatt - 18,300 Amit Ahuja - 3,010
(b) Senior management	Nil	Nil	Nil	Nil	Ashok Kumar Sharma - 26,500 Shashi Kant Jha - 6,690 Vinesh Nashine - 5,020 Nitin Chaskar - 3,450
(c) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil	Nil	Nil	Nil	Nil
(d) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital	Nil	Nil	Nil	Nil	Nil

<table>
<tr><th>Particulars</th><th>Fiscal 2022</th><th>Fiscal 2023</th><th>Fiscal 2024</th><th>Nine-month period ended December 31, 2024</th><th>From January 1, 2025 until the date of this Draft Red Herring Prospectus</th></tr>
<tr><td>(excluding outstanding warrants and conversions) of the Company at the time of grant</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 ‘Earnings Per Share’</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not determinable at this stage</td></tr>
<tr><td>Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td>Method of Valuation</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Black-Scholes Option Valuation Mode</td></tr>
<tr><td>Significant assumptions used to estimate the fair value of options granted during the year /period including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market
at the time of grant of option</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td><table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Exercise price
(₹)</td><td>2</td></tr>
<tr><td>Average
Expected
volatility (%)</td><td>Plan I – 44.03%
Plan II – 43.54%
Plan III – 43.72%</td></tr>
<tr><td>Dividend yield
(%)</td><td>Plan I – 0.54%
Plan II – 0.56%</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Fiscal 2022</th><th>Fiscal 2023</th><th>Fiscal 2024</th><th>Nine-month period ended December 31, 2024</th><th>From January 1, 2025 until the date of this Draft Red Herring Prospectus</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td><table>
<tr><td></td><td>Plan III – 0.60%</td></tr>
<tr><td>Average
Expected life
(Years)</td><td>Plan I – 2.99
Plan II – 3.80
Plan III – 3.95</td></tr>
<tr><td>Average Risk
free interest rate
(%)</td><td>Plan I – 6.51
Plan II – 6.53
Plan III – 6.53</td></tr>
</table></td></tr>
<tr><td>Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three Years</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable, because our Company had followed the accounting policies specified in Regulation 15 of the SEBI SBEB Regulations i.e., as per the Indian Accounting Standard</td></tr>
<tr><td>Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td>Intention to sell Equity Shares arising out of the ESOS 2024 or allotted under an employee stock option scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOS 2024, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td></tr>
</table>

For further details of the options granted to the Directors, Key Managerial Personnel and Senior Management Personnel, please see "*Our Management – Interest of Key Managerial Personnel and Senior Management Personnel*" on page 272.

The options granted under ESOS, 2024 plan are in compliance with the Companies Act, 2013. Further, all persons to whom options have been granted are employees of our Company.

The employee stock option scheme is in compliance with the SEBI SBEB Regulations and have been certified by the Practising Company Secretary, having the membership number 3076, pursuant to its certificate dated February 10, 2025.

8. **Compliance with the Companies Act, 2013**

All the issuances of the specified securities since the date of inception by our Company, have been in compliance with the relevant provisions of the Companies Act, 1956 and Companies Act, 2013. For details of the complete set of corporate resolutions, filings, and other records, in relation to changes in our issued, subscribed and paid-up share capital that are untraceable in our records, please see *"Risk Factors – We are unable to trace certain of our corporate filings with respect to certain corporate records and secretarial forms filed by us with the Registrar of Companies and there are certain factual inaccuracies in our corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to such matters, which may adversely impact our financial condition and reputation"* on page 61.

9. **Details of history of shareholding and share capital of our Promoters and the members of the Promoter Group in our Company**

As on the date of this Draft Red Herring Prospectus, our Promoters hold, in aggregate, 57,332,250 equity shares, which constitutes 80.13% of the issued, subscribed and paid-up equity share capital of our Company. The details regarding our Promoters' shareholding are set forth below:

a) Shareholding of our Promoters and member of our Promoter Group

Name	**Pre-Offer**			**Post-Offer#^**	
	Number of equity shares of face value of ₹2 each	**Percentage of pre-Offer equity share capital**	**Percentage of pre-Offer equity share capital on a fully diluted basis***	**Number of equity shares of face value of ₹2 each**	**Percentage of post-Offer equity share capital**
Promoters					
Vinayak S. Gan	34,951,200	48.85	40.94	[●]	[●]
Abhijeet V. Gan	22,381,050	31.28	26.22	[●]	[●]
Total	**57,332,250**	**80.13**	**67.16**	[●]	[●]

* *To be included in the Prospectus.*

^ *Subject to finalization of Basis of Allotment.*

\# *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters - Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

None of the members of our Promoter Group hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, neither our Promoters nor members of the Promoter Group hold any preference shares.

b) Build-up of Promoters' shareholding in our Company

Set forth below is the build-up of our Promoters' equity shareholding in our Company, since its incorporation.

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer equity share capital on a fully diluted basis*	% of the post-Offer equity share capital
Vinayak S. Gan							
March 27, 2013	20,000	100	100	Cash	Further issue pursuant to conversion of loan**	1.17	[●]
March 31, 2013	12,000	100	100	Cash	Transfer from Vinay Avinash Dorley.	0.70	[●]
Pursuant to a resolution of our Board dated December 11, 2013, and a resolution of our shareholders dated January 6, 2014, each equity share of our Company bearing face value of ₹100 each was sub-divided into 10 equity shares of bearing face value of ₹10 each. Consequently, the 32,000 equity shares of face value of ₹ 100 each held by Vinayak S. Gan were sub-divided into 320,000 Equity Shares of face value of ₹ 10 each.							
January 07, 2014	320,000	10	N.A.	N.A.	Bonus issue in the ratio of 1 equity share for every 1 equity share held by the shareholders	1.87	[●]
February 14, 2020	785,000	10	N.A.	N.A.	Transmission from Late Vaishali Vinayak Gan	4.60	[●]
February 26, 2021	(260,000)	10	10	Cash	Transfer to Vishwas Pathak	(1.52)	[●]
July 28, 2023	10	10	109	Cash	Transfer from Mahendrakumar Bhikamchand Mohta	Negligible	[●]
July 28, 2023	10	10	109	Cash	Transfer from Giridhar Chandak	Negligible	[●]
July 28, 2023	10	10	109	Cash	Transfer from Laxmikant Chandak & Sons	Negligible	[●]
July 28, 2023	10	10	109	Cash	Transfer from Renu Chandak	Negligible	[●]
Pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, each equity share of our Company bearing face value of ₹10 each was sub-divided into 5 equity shares of bearing face value of ₹2 each. Consequently, the 1,165,040 equity shares of face value of ₹ 10 each held by Vinayak S. Gan were sub-divided into 5,825,200 Equity Shares of face value of ₹ 2 each.							
November 15, 2024	29,126,000	2	N.A.	N.A.	Bonus issue in the ratio of 5 new equity shares for every 1 equity share held by the shareholders	34.12	[●]
Total (A)	**34,951,200**						
Abhijeet V. Gan							
April 01, 2006##	200	100	100	Cash	Transfer from Vaishali Gan	0.01	[●]
March 30, 2008$	1,800	100	100	Cash	Further issue	0.11	[●]
January 11, 2010	5,000	100	100	Cash	Further issue	0.29	[●]
March 05, 2012	18,000	100	100	Cash	Further issue pursuant to conversion of loan**	1.05	[●]
Pursuant to a resolution of our Board dated December 11, 2013, and a resolution of our shareholders dated January 6, 2014, each equity share of our Company bearing face value of ₹100 each was sub-divided into 10 equity shares of bearing face value of ₹10 each. Consequently, the 25,000 equity shares of face value of ₹ 100 each held by Abhijeet V. Gan were sub-divided into 250,000 Equity Shares of face value of ₹ 10 each.							
January 07, 2014	250,000	10	N.A.	N.A.	Bonus issue in the ratio of 1 equity share for every 1 equity share held by the shareholders	1.46	[●]
January 07, 2014	54,499	10	10	Cash	Further issue	0.32	[●]
February 26, 2014#	191,536	10	N.A.	N.A.	Gift of shares from Radhika Dorle	1.12	[●]

Date of allotment/ transfer	Number of equity shares allotted/ transferred	Face value per equity share (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of consideration	Nature of transaction	% of the pre-Offer equity share capital on a fully diluted basis*	% of the post-Offer equity share capital
Pursuant to a resolution of our Board dated October 8, 2024, and a resolution of our shareholders dated October 10, 2024, each equity share of our Company bearing face value of ₹10 each was sub-divided into 5 equity shares of bearing face value of ₹2 each. Consequently, the 746,035 equity shares of face value of ₹ 10 each held by Abhijeet V. Gan were sub-divided into 3,730,175 Equity Shares of face value of ₹ 2 each.							
November 15, 2024	18,650,875	2	N.A.	N.A.	Bonus issue in the ratio of 5 new equity shares for every 1 equity share held by the shareholders	21.85	[●]
Total (B)	**22,381,050**						
Total (A+B)	**57,332,250**						

* *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. The proposed conversion, as mentioned above, has been considered while computing the weighted average cost of acquisition of Equity Shares held as on date of this Draft Red Herring Prospectus. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters - Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

** *Consideration was received at the time of disbursement of the respective loans.*

\# *We have been unable to trace the share transfer forms for the transfer of 191,536 equity shares from Radhika Dorle to Abhijeet V. Gan dated February 26, 2014. Accordingly, disclosures in relation to the promoter build-up for certain transfers have been made in reliance of (i) share allotments and share transfer registers, (ii) board resolution dated February 26, 2014, recording the transfers, (iii) annual returns for Fiscal 2014, (iv) gift deed executed by Radhika Dorle in favour Abhijeet V. Gan dated February 26, 2014, and (v) certificate dated February 4, 2025 from Yuti Nagarkar, Practicing Company Secretary. Please also see "Risk Factors – We are unable to trace certain of our corporate filings with respect to certain corporate records and secretarial forms filed by us with the Registrar of Companies and there are certain factual inaccuracies in our corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to such matters, which may adversely impact our financial condition and reputation" on page 61.*

\#\# *We have been unable to trace the share transfer forms and the board resolution noting the transfer of 200 equity shares from Vaishali Gan to Abhijeet V. Gan dated April 1, 2006. Accordingly, disclosures in relation to the promoter build-up for certain transfers have been made in reliance of (i) share transfer register, (ii) annual returns for Fiscal 2006, and (iii) certificate dated February 4, 2025 from Yuti Nagarkar, Practicing Company Secretary. Please also see "Risk Factors – We are unable to trace certain of our corporate filings with respect to certain corporate records and secretarial forms filed by us with the Registrar of Companies and there are certain factual inaccuracies in our corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to such matters, which may adversely impact our financial condition and reputation" on page 61.*

$ *Form filing for the allotment of 1,800 equity shares dated March 30, 2008 is not traceable. Accordingly, disclosures in relation to the change in our issued, subscribed and paid-up share capital have been made in reliance of (i) board resolution or allotment, (ii) share allotments register, (iii) annual returns of our Company; and (iv) certificate dated February 4, 2025 from Yuti Nagarkar, Practicing Company Secretary. Please also see "Risk Factors – We are unable to trace certain of our corporate filings with respect to certain corporate records and secretarial forms filed by us with the Registrar of Companies and there are certain factual inaccuracies in our corporate filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to such matters, which may adversely impact our financial condition and reputation" on page 61.*

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

As of the date of this Draft Red Herring Prospectus, none of the equity shares held by our Promoters are pledged or are otherwise encumbered.

c) Details of minimum Promoters' contribution locked in as may be prescribed under applicable law

Pursuant to Regulation 14 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as minimum promoters' contribution and, pursuant to Regulation 16 of the SEBI ICDR Regulations, shall be locked-in for a period of eighteen months, or such other period as prescribed under the SEBI ICDR Regulations, as minimum promoter's contribution from the date of Allotment ("**Promoters' Contribution**"). Our Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.

The details of Equity Shares held by our Promoters, which will be locked-in for a period of eighteen months, from the date of Allotment as Promoters' Contribution are set forth below:

Name of the Promoter	Number of Equity Shares of face value of ₹ 2 each held	Date up to which Equity Shares of face value of ₹ 2 each are subject to lock-in	Number of Equity Shares locked-in**	Date of allotment/ transfer#	Face value per Equity Shares (₹)	Allotment/ Acquisition price per Equity Shares (₹)	Nature of transaction	% of the pre-Offer paid-up capital	% of the post-Offer paid-up Capital
Vinayak S. Gan	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Abhijeet V. Gan	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated at the Prospectus stage.

\# *Equity shares were fully paid-up on the respective dates of allotment/acquisition, as the case may be.*

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

Our Promoters have given their consent to include such number of Equity Shares held by them as disclosed above, constituting 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of 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 Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, see "*-Build-up of Promoters' shareholding in our Company*" on page 106.

In this connection, we confirm the following:

(i) The Equity Shares offered for Promoters' Contribution shall not consist of Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise in-eligible for computation of Promoters' Contribution;

(ii) The Equity Shares offered for Promoters' Contribution shall not consist of Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) The Equity Shares offered for Promoters' Contribution shall not consist of Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance; and

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

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

d) ***Details of share capital locked-in for six months or any other period as may be prescribed under applicable law***

In terms of Regulation 17 and 16(1)(b) of the SEBI ICDR Regulations, except for the Promoters' Contribution and any Equity Shares held by our Promoters in excess of Promoter's Contribution, which shall be locked in as above, the entire pre-Offer Equity Share capital of our Company, shall, unless otherwise permitted under the SEBI ICDR Regulations, be locked in for a period of six months from the date of Allotment in the Offer. In terms of Regulation 17(c) of the SEBI ICDR Regulations, Equity Shares held by a venture capital fund or alternative investment fund of category I or category II or a foreign venture capital investor shall not be locked-in for a period of six months from the date of Allotment, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in pursuant to Regulation 16 of the SEBI ICDR Regulations, may be transferred amongst our Promoters or any member of the Promoter Group or to any new promoter, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoters and locked-in pursuant to Regulation 17 of the SEBI ICDR Regulations, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the provisions of the Takeover Regulations.

In terms of Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, provided that such pledge of the Equity Shares is one of the terms of the sanctioned loan. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above.

e) **Recording of non-transferability of Equity Shares locked-in**

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

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

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

g) **Sales or purchases of Equity Shares or other specified securities of our Company by our Promoters, members of our Promoter Group and/or our Directors and their relatives during the six months immediately preceding the date of this Draft Red Herring Prospectus–**

Except as disclosed in "*Capital Structure – Build-up of Promoters' shareholding in our Company*" on page 106, none of our Promoters, the members of the Promoter Group, our Directors or their relatives have purchased, acquired or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

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10. ***Shareholding pattern of our Company***

The table below represents 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 of face value of ₹2 each held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of 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 share capital) (XI)= (VII)+(X) As a % of (A+B+C2)*	Number of Locked in Equity Shares (XII)		Number of Equity Shares of face value of ₹ each pledged or otherwise encumbered (XIII)		Number of Equity Shares of face value of ₹ each held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+ C)z							
								Class (Equity Shares)	Class (Others)	Total				Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(A)	Promoter and Promoter Group	2	57,332,250	-	-	57,332,250	80.13	57,332,250	-	-	57,332,250	-	67.16	-	-	-	-	57,332,250
(B)	Public	67	14,214,540	-	-	14,214,540	19.87	14,214,540	-	-	14,214,540	13,815,930	32.84	-	-	-	-	14,214,540
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C+C1+C2)	**69**	**71,546,790**	-	-	**71,546,790**	**100.00**	**71,546,790**	-	-	**71,546,790**	**13,815,930**	**100.00%**	-	-	-	-	**71,546,790**

* *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters - Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

\# *Based on the beneficiary position as on February 7, 2025*

11. As on the date of this Draft Red Herring Prospectus, our Company has 69 equity shareholders. Further, our Company is in compliance with Section 25 of the Companies Act, 2013 and has not had more than 200 shareholders in any financial year since incorporation.

12. ***Shareholding of our Directors, Key Managerial Personnel and Senior Management Personnel in our Company***

Except as stated below, none of our Directors or Key Managerial Personnel or members of Senior Management Personnel hold any Equity Shares.

Sr. no	Name of Director / Key Managerial Person / Member of Senior Management	Number of Equity Shares of face value of ₹2 each	Percentage of pre-Offer Equity Share capital	Percentage of pre-Offer Equity Share capital on a fully diluted basis*
1	Vinayak S. Gan	34,951,200	48.85	40.94
2	Abhijeet V. Gan	22,381,050	31.28	26.22
	Total	**57,332,250**	**80.13**	**67.16**

* *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters - Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

13. ***Details of shareholding of the major shareholders of our Company***

(a) Set forth below are details of shareholders holding 1% or more of the paid-up equity share capital of our Company as on the date of this Draft Red Herring Prospectus:

Sr. no	Name of Shareholder	Number of Equity Shares of face value of ₹2 each	Percentage of pre-Offer Equity Share capital	Number of equity shares of face value of ₹ 2 each on a fully diluted basis*	Percentage of pre-Offer Equity Share capital on a fully diluted basis*
1	Vinayak S. Gan	34,951,200	48.85	34,951,200	40.94
2	Abhijeet V. Gan	22,381,050	31.28	22,381,050	26.22
3	Omkar Vishwas Pathak	5,250,000	7.34	5,250,000	6.15
4	Vishwas Vasant Pathak	2,550,000	3.56	2,550,000	2.99
5	Mukul Mahavir Agrawal	2,467,500	3.45	2,467,500	2.89
6.	Water Access Acceleration Fund S.L.P	Nil	Nil	13,815,930	16.18
	Total	**67,599,750**	**94.48**	**81,415,680**	**95.37**

* *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters - Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

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

Sr. no	Name of Shareholder	Number of Equity Shares of face value of ₹2 each	Percentage of pre-Offer equity share capital	Number of equity shares of face value of ₹ 2 each on a fully diluted basis*	Percentage of pre-Offer equity share capital on a fully diluted basis*
1	Vinayak S. Gan	34,951,200	48.85	34,951,200	40.94
2	Abhijeet V. Gan	22,381,050	31.28	22,381,050	26.22
3	Omkar Vishwas Pathak	5,250,000	7.34	5,250,000	6.15
4	Vishwas Vasant Pathak	2,550,000	3.56	2,550,000	2.99
5	Mukul Mahavir Agrawal	2,467,500	3.45	2,467,500	2.89
6.	Water Access Acceleration Fund S.L.P	Nil	Nil	13,815,930	16.18
	Total	**67,599,750**	**94.48**	**81,415,680**	**95.37**

* *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters - Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

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

Sr. no	Name of Shareholder	Number of equity shares of face value of ₹10 each	Percentage of equity share capital	Number of equity shares of face value of ₹ 10 each on a fully diluted basis*	Percentage of equity share capital on a fully diluted basis
1	Vinayak S. Gan	1,165,040	48.85	1,165,040	40.94
2	Abhijeet V. Gan	746,035	31.28	746,035	26.22
3	Vishwas Pathak	260,000	10.90	260,000	9.14
4	Mukul Mahavir Agarwal	82,250	3.45	82,250	2.89
5	Sanjay Kumar Singhal	45,065	1.89	45,065	1.58
6	Water Access Acceleration Fund S.L.P.	Nil	Nil	460,531	16.18
	Total	**2,298,390**	**96.37**	**2,758,921**	**96.95**

* *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters - Key terms of other subsisting material agreements" beginning on pages 101 and 252.*

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

Sr. no	Name of Shareholder	Number of equity shares of face value of ₹10 each	Percentage of equity share capital	Number of equity shares of face value of ₹ 10 each on a fully diluted basis*	Percentage of equity share capital on a fully diluted basis
1	Vinayak S. Gan	1,165,000	44.72	1,165,000	41.45
2	Abhijeet V. Gan	746,035	28.64	746,035	26.54
3	Vishwas Pathak	260,000	9.98	260,000	9.25
4	SIDBI Trustee Co. Ltd. (A/c Samridhi Fund)*	434,216	16.67	639,516	22.75
	Total	**2,605,251**	**100.00**	**2,810,551**	**100.00**

* *200,000 2% convertible cumulative preference shares of face value of ₹ 100 held by SIDBI Trustee Co. Ltd. on behalf of Samriddhi Fund were converted into 205,300 equity shares on March 31, 2023. For further details, see "-Preference share capital history of our Company" on page 100.*

14. ***Secondary Transactions of equity shares involving the Promoters, Promoter Group and the Selling Shareholders***

Except as disclosed below and in "– *Build-up of Promoters' shareholding in our Company*" on page 106 above, there have been no secondary transactions of equity shares by our Promoters, members of the Promoter Group and the Selling Shareholders, as on the date of this Draft Red Herring Prospectus:

Date of Transfer of Equity Shares	Name of transferor	Name of transferee	No. of Equity Shares transferred	Face value per equity share (₹)	Transfer price per Equity Share (₹)	Total consideration	Nature of consideration
February 26, 2014	Radhika Dorle	Vaishali Gan	185,000	10	NA	NA	Gift

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

16. Our Company, our Directors and the BRLMs have not entered into any buy-back arrangement for purchase of specified securities from any person. Further, there were certain rights for the shareholding held by the Investor Selling Shareholder to be bought back in case an exit is not provided within specified timelines or for certain events of defaults, which have been waived and are no longer in force as per the term of the W2AF SSSHA Amendment Agreement 3. For further details, see "*History and Certain Corporate Matters - Key terms of other subsisting material agreements*" beginning on page 252.

17. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.

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

19. None of the BRLMs and their respective associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992) hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation

20. Except as disclosed in "– *Preference share capital history of our Company*" and the stock options granted under ESOS 2024, there are no outstanding warrants or convertible securities, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.

21. No person connected with the Offer including, but not limited to, the BRLMs, the Members of the Syndicate, our Company, our Directors, our Promoters, members of our Promoter Group or Group Company, 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 Offer.

22. Except for (i) the allotment of specified securities pursuant to the Fresh Issue; (ii) the conversion of CCPS; (iii) the equity shares issued pursuant to ESOS 2024; and (iv) Pre-IPO Placement aggregating up to ₹ 600.00 million, there will be no further issue of specified securities whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

23. Except for the (i) Equity Shares to be allotted pursuant to the Fresh Issue; and (ii) the equity shares issued pursuant to ESOS 2024, there is no proposal or intention, negotiations or consideration by our Company to alter its capital structure by way of split or consolidation of the denomination of the Equity Shares or by way of further issue of Equity Shares or convertible securities on a preferential basis or by way of issue of bonus Equity Shares or on a rights basis or by way of further public offer of such securities, within a period of six months from the Bid/Offer Opening Date.

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

25. We confirm that the Book Running Lead Managers are not associates of our Company as per Regulation 21A of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

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

27. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions. Further, no person related to our Promoter or members of our Promoter Group shall apply in the Offer under the Anchor Investor Portion

28. None of our Promoters and the members of the Promoter Group will submit Bids or otherwise participate in the Offer other than to the extent of their participation in the Offer for Sale.

29. All the allottees under the employee stock option scheme are employees and all grants of options under the employee stock option scheme, in the past or in the future, are/shall be in compliance with the Companies Act.

SECTION IV - PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares of face value ₹2 each, aggregating up to ₹ 3,000.00 million by our Company and an Offer for Sale of up to [●] Equity Shares of face value ₹2 each, aggregating up to ₹ 4,450.00 million by the Selling Shareholders. For details, see "*Summary of the Offer Document*" and "*The Offer*" on pages 20 and 79, respectively.

Offer for Sale

Each of the Selling Shareholders shall be entitled to their respective portion of the proceeds of the Offer for Sale, after deducting its portion of the Offer related expenses and relevant taxes thereon. For details in relation to the Offer for Sale, see "*Other Regulatory and Statutory Disclosures*" on page 428. Our Company will not receive any proceeds from the Offer for Sale, and accordingly, the proceeds from the Offer for Sale will not form a part of the Net Proceeds. For further details, see "*-Offer Related Expenses*" on page 124. Further, none of the objects for which the Net Proceeds will be utilised have been appraised by any agency or financial institution.

Fresh Issue

The details of the proceeds from the Fresh Issue are provided in the following table:

Particulars	Estimated amount (₹ in million)
Gross proceeds from the Fresh Issue*^	3,000.00
(Less) Offer related expenses in relation to the Fresh Issue#^**	[●]
Net Proceeds from the Fresh Issue#^	**[●]**

* *Subject to full subscription of the Fresh Issue component*

\# *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC*

^ *Our Company, in consultation with the BRLMs, may consider an issue of specified securities as may be permitted under the applicable law to any person(s), aggregating up to ₹ 600.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the Fresh Issue size. Our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

** *For details with respect to sharing of fees and expenses amongst our Company and the Selling Shareholders in relation to the Offer, please see the section entitled, "-Offer Related Expenses" on page 124.*

Requirements of funds and utilization of Net Proceeds

The Net Proceeds of the Fresh Issue are proposed to be utilised in the following manner:

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

(collectively, referred to herein as "**Objects**")

In addition to the aforementioned Objects, our Company will receive the benefits of listing of its Equity Shares on the Stock Exchanges including enhancement of our Company's brand name and creating a public market for our Equity Shares in India.

The main objects and the objects incidental and ancillary to the main objects of our MoA enables our Company (i) to undertake our existing business activities; (ii) to undertake activities for which funds are being raised by our Company through the Fresh Issue; and (iii) to undertake the activities for which funds are earmarked towards general corporate purposes.

Utilization of Net Proceeds

The Net Proceeds are proposed to be utilised in the following manner:

Sr. No.	Particulars	Estimated Amount*^ (₹ in million)
1.	Funding working capital requirements of our Company	2,252.12*
2.	General corporate purposes	[●]
	Total*	**[●]**

* *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. Subject to Basis of Allotment and full subscription of the Fresh Issue component.*

^ *This includes the proceeds, if any, received pursuant to the Pre-IPO Placement aggregating up to ₹ 600.00 million. Details of the Pre-IPO Placement, if undertaken, will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR, as amended and shall be included in the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

Utilisation of Net Proceeds and Schedule of Implementation and Deployment

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

(₹ in million)

Particulars	Amount which will be financed from Net Proceeds(1)	Estimated Utilization of Net Proceeds in Fiscal 2025	Estimated Utilization of Net Proceeds in Fiscal 2026	Estimated Utilization of Net Proceeds in Fiscal 2027
Funding working capital requirements of our Company	2,252.12	Nil	1,282.64	969.48
General corporate purposes(2)	[●]	[●]	[●]	[●]
Net Proceeds(2) (3)	[●]	[●]	[●]	[●]

(1) *To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the RoC.*

(2) *To be finalised upon determination of Offer 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.*

(3) *Our Company, in consultation with the BRLMs, may consider an issue of specified securities as may be permitted under the applicable law to any person(s), aggregating up to ₹ 600.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC (“**Pre-IPO Placement**”). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the Fresh Issue size. Our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

The funding requirements and deployment of the Net Proceeds as described herein are based on various factors, our current business plan, management estimates, current circumstances of our business and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution. See “*Risk Factors- Any variations in our funding requirements and the proposed deployment of Net Proceeds may affect our business and results of operations.*” on page 67. We may have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of various factors, such as financial and market conditions, business and strategy, competitive environment and interest or exchange rate fluctuations, incremental preoperative expenses, taxes and duties, interest and finance charges, working capital margin, regulatory costs, and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For details, see “*Risk Factors – Any variations in our funding requirements and the proposed deployment of Net Proceeds may affect our business and results of operations*” on page 67.

Subject to applicable law, 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 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 utilisation 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 Offer. In the event that the estimated utilisation of the Net Proceeds in a scheduled Financial Year is not completely met, due to the reasons stated above, the same shall be utilised in the next Fiscal Year, as may be determined by our Company in accordance with applicable laws. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilised towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations.

Means of finance

The fund requirements towards the Objects of the Offer are proposed to be entirely funded from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and internal accruals as required under the SEBI ICDR Regulations. Subject to applicable law, if the actual utilisation towards 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 utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. For further details, see "*Risk Factors – Any variations in our funding requirements and the proposed deployment of Net Proceeds may affect our business and results of operations.*" on page 67.

Details of objects of the Offer to be funded from Fresh Issue proceeds

1. Funding working capital requirements of our Company

Our Company funds a majority of its working capital requirements in the ordinary course of business from financing availed from banks and internal accruals. Our Company proposes to utilise up to ₹ 2,252.12 million from the Net Proceeds towards funding our Company's incremental working capital requirements. Our Company proposes to utilise ₹ 1,282.64 million and ₹ 969.48 million to fund our Company's incremental working capital requirements in Fiscals 2026 and 2027.

As on December 31, 2024, our total outstanding indebtedness in respect of our working capital facilities was ₹ 724.59 million on a consolidated basis. For further details of the working capital facilities currently availed by us, see "*Financial Indebtedness*" and "*Restated Consolidated Financial Statements*" on pages 414 and 278, respectively. Further, for risks in relation to use of the Net Proceeds for funding working capital gap of our Company, see "*Risk Factors— We require sizeable amounts of working capital for our continued operation and growth. Our inability to meet our working capital requirements could have a material adverse effect on our business, results of operations and financial condition. Further, any surplus production on account of inaccurate forecasting of customer requirements and failure to manage inventory could adversely affect our business, results of operations and financial condition.*" on page 41. Our Board in its meeting dated February 10, 2025 took note that an aggregate amount of ₹ 2,252.12 million is proposed to be utilized to fund the working capital requirements of our Company.

Requirement of working capital

We are a Clean-tech[1] company in India with a diverse offering for rural transformation, focused on water solutions, solar agriculture solutions, and internet of things ("**IoT**") solutions for energy, agriculture, and water management sectors. *(Source: 1Lattice Report).* Our spectrum of Clean-tech solutions cover three verticals, namely (a) water solutions, which includes water and waste water treatment, disinfection and purification systems, community water purification plants ("**CWPP**"), and water supply schemes, (b) solar agriculture solutions, which includes solar irrigation pumps and solar cold storage systems, and (c) IoT solutions, providing digital monitoring applications for enhancing efficiency, improving productivity and reducing losses for water and energy infrastructure. Additionally, we also provide operation and maintenance ("**O&M**") services for projects executed by us in each of our three verticals. We follow an asset-light business model, focusing on strategic sourcing to optimize our core operations and enable scalability across geographies.

Our Company requires working capital to fund inventories, trade receivables and arrange margin money for issuance of Performance and Security Deposit Bank Guarantee. We are required to maintain adequate levels of inventory for adhering to project timelines ensuring timely execution of project milestones and in anticipation of getting new projects. Further, the competitive nature of our solar pumps business necessitates higher inventory levels to swiftly convert orders. Additionally, our customer base primarily comprises of government authorities where our invoicing is delayed due to the time-consuming approval process at various levels of government agencies (Gram Panchayat, Zilla Parishad, Circle Office, Block Development Offices, and State Department or State Implementing Agencies). Although these approvals take significant time, accounting standards require us to recognize revenue in our financial statements, resulting in unbilled revenue. Upon obtaining approvals, we issue tax invoices, converting unbilled revenue into trade receivables. Additionally, we are required to provide Performance and Security Deposit Bank Guarantees, in the range of to 3% to 5% of each Work Order value, as a guarantee to authorities for performance obligations.

As on December 31, 2024, our Company has sanctioned fund-based limits of working capital facilities of ₹ 389.50 million and non-fund based limits (including guarantees and letter of credit) for working capital of ₹ 1,112.00 million. Further, with regards to our Order Book value as on December 31, 2024 of ₹ 17,231.34 million, we (i) have been utilizing our fund based limits amounting to ₹ 101.25 million; and (ii) have utilised our non-fund based limits amounting to ₹ 623.34 million.

The key drivers of our working capital needs are:

- <u>Unbilled revenue</u>: A significant portion of our revenue remains unbilled due to pending paperwork, extending our working capital cycle until billing formalities are completed. For further details, please refer "*Risk Factors – A significant portion of our Revenue from operations is unbilled at the end of each financial period due to procedural delays in billing, primarily for government clients. This unbilled revenue, combined with delays in payments,*

[1] *Clean technologies or clean tech are new technologies and solutions that can help address the impact of climate change. (Source: 1Lattice Report)*

contributes to an extended working capital cycle and could adversely impact our financial condition and results of operations” on page 40;

- Trade receivables: A large share of our clients are government entities, leading to longer payment cycles and set forth below is a table showcasing the trade receivables and trade receivables ratio based on our standalone audited financial statements as on the nine-month period ended December 31, 2024, and last three Fiscals:

Particulars	**Nine-month period ended December 31, 2024**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Trade receivables (in ₹ million)#	1,345.27	351.18	211.08	337.11
Trade receivables days (in days)	121*	61	65	160
Trade receivables turnover ratio	3.01*	6.01	5.65	2.28

\# *Net of expected credit loss / provision for doubtful debts*
* *Annualized*

- Inventory levels: Our foray into the solar sector requires maintaining higher inventory of solar pumps to offer farmers a variety of options, increasing inventory days compared to when we focused primarily on water solutions and set forth below is a table showcasing the inventory days based on our standalone audited financial statements as of the nine-month period ended December 31, 2024, and as at the end of the last three Fiscals:

Particulars	**Nine-month period ended December 31, 2024**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Inventory days	49*	23	20	15

* *Annualized*

- Expected business growth: According to 1Lattice Report, water and waste water treatment, solar pumps, and IoT industry which are expected to grow at CAGR of 12.0%, 32.1% and 20.5% respectively from Fiscal 2024 to Fiscal 2030, respectively, with a total addressable market of US$ 37.1 billion for Fiscal 2024. Our revenue from operations increased from ₹768.14 million in for Fiscal 2022 to ₹2,027.49 million for Fiscal 2024, representing a CAGR of 62.46%%. Additionally, Our Revenue from operations during 9 months ended December, 2024 increased to ₹3,056.79 million from ₹ 2,027.49 during Fiscal 2024. Our anticipated growth in operations is expected to drive higher working capital needs to support larger contracts, increased inventory, and extended receivables cycles.

- Payment of margin money for bank guarantees and earnest money deposit: Securing projects, particularly government contracts, often requires us to furnish bank guarantees in the range of 3% to 5% to authorities for performance obligations of each work order value. Additionally, earnest money deposit is also required to be submitted along with tenders. Higher the number of bids that we make, higher would be the requirement of earnest money deposit, tying up capital and impacting our working capital requirements.

Therefore, in order to support our growth and increase our revenues by undertaking more projects and to tap into fast growing market opportunities in India, we expect our working capital requirements to increase.

In view of the above, we propose to utilise ₹ 2,252.12 million from the Net Proceeds to fund the working capital requirements for the business operations of our Company in Fiscal 2026 and Fiscal 2027.

Existing working capital

Set forth below are the details of our Company’s existing working capital requirement as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, derived from the audited standalone financial statements of our Company:

(₹ in million)

Particulars	**As at**			
	December 31, 2024	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Current assets				
Inventories	540.56	133.88	65.96	30.93
Trade receivables	1,345.27	351.18	211.08	337.11
Other financial assets*	1,199.39	983.31	433.61	206.25
Other current assets	225.26	94.07	27.87	54.59
Total Current Assets (A)	**3,310.48**	**1,562.44**	**738.52**	**628.88**
Current liabilities				
Financial Liabilities				
Trade payables	598.44	210.71	201.31	120.26
Other financial liabilities	50.79	19.80	28.88	11.09

Particulars	As at			
	December 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Other current liabilities	3.29	26.29	19.15	4.03
Provisions	29.84	18.76	19.78	7.32
Current tax liabilities (net)	162.62	36.06	4.57	11.44
Total Current Liabilities (B)	**844.98**	**311.62**	**273.69**	**154.14**
Net Working Capital Requirements (A-B)	**2,465.50**	**1,250.82**	**464.83**	**474.74**
Existing Funding Pattern				
A. Borrowings from banks, financial institution and non-banking financial companies (including bill discounting)	398.21	166.11	29.13	179.02
B. Internal Accruals/Equity	2,067.29	1,084.71	435.70	295.72
Total	**2,465.50**	**1,250.82**	**464.83**	**474.74**

Note: As certified by, V S Nasery & Co., Chartered Accountants, by way of their certificate dated February 10, 2025.

* *Other financial assets do not include cash equivalents and other bank balances.*

Estimated working capital

The details of the estimated working capital requirements of our Company for the Fiscals 2025, 2026 and 2027 as approved by our Board pursuant to its resolution dated February 10, 2025 are as set out in the table below:

(₹ in million)

Particulars	Fiscal Year		
	2025	2026	2027
Current assets			
Inventories	673.22	1,382.91	2,133.67
Trade receivables	1,570.84	2,765.81	4,267.35
Other financial assets	1,496.03	2,765.81	4,267.35
Other current assets	299.21	502.87	775.88
Total Current Assets (A)	**4,039.29**	**7,417.40**	**11,444.25**
Current liabilities			
Trade payables	748.02	1,131.47	1,745.73
Other financial liabilities	74.80	125.72	193.97
Other current liabilities	44.88	75.43	116.38
Short term Provisions	44.88	75.43	116.38
Current tax liabilities (net)	74.80	125.72	193.97
Total Current Liabilities (B)	**987.38**	**1,533.77**	**2,366.44**
Net Working Capital Requirements (A-B)	**3,051.91**	**5,883.64**	**9,077.81**
Existing Funding Pattern			
A. Borrowings from banks, financial institution and non-banking financial companies (including bill discounting)	666.11	666.11	666.11
B. (i) Internal Accruals/Equity	2,385.80	3,934.88	7,442.22
(ii) Amount proposed to be utilized from Net Proceeds	Nil	1,282.64	969.48

* *Calculated on a standalone basis.*

Note: As certified by V S Nasery & Co., Chartered Accountants, by way of their certificate dated February 10, 2025.

Key assumptions and justifications for estimated working capital requirement

Holding levels

On the basis of our existing working capital requirements, the details of our Company's holding period (with days rounded to the nearest number) and justifications for holding period levels on the basis of our Company's audited standalone financial statements, as approved by our Board pursuant to a resolution dated February 10, 2025, are as provided below:

Particulars	Holding levels on the basis of	Fiscal year (Actuals)				Fiscal year (Projected)		
		2022	2023	2024	Dec 2024(1)	2025	2026	2027
Current Assets								
Trade receivables days	Revenue from operations	160	65	61	121	105	110	110
Inventory days	Revenue from operations	15	20	23	49	45	55	55
Other Financial Assets	Revenue from operations	98	133	170	108	100	110	110
Other Current Assets	Revenue from operations	26	9	16	20	20	20	20

Particulars	Holding levels on the basis of	Fiscal year (Actuals)				Fiscal year (Projected)		
		2022	2023	2024	Dec 2024[(1)]	2025	2026	2027
Current Liabilities								
Trade payables days	Revenue from operations	57	62	36	54	50	45	45
Other Financial Liabilities	Revenue from operations	5	9	3	5	5	5	5
Other Current liabilities	Revenue from operations	3	6	3	3	3	3	3
Provisions	Revenue from operations	3	6	3	3	3	3	3
Current tax liabilities	Revenue from operations	5	1	6	15	5	5	5

Note: As certified by V S Nasery & Co., Chartered Accountants, by way of their certificate dated February 10, 2025.
The above days were calculated based on the following formulas:

1. *Holding levels for December 2024 have been annualised. Annualized days have been calculated using 275 days for the nine months ended December 31, 2024. The unannualized days for December 2024 are as below:*
   - *Trade receivables: 161 days*
   - *Inventory days: 65 days*
   - *Other financial assets :144 days*
   - *Other current assets: 27 days*
   - *Trade Payables: 72 days*
   - *Other Financials Liabilities: 6 days*
   - *Other Current Liabilities: 4 days*
   - *Provision: 4 days*
   - *Current tax liabilities: 19 days*
2. *Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days*
3. *Inventory days are calculated as Inventories divided by Revenue from operations multiplied by 365 days*
4. *Other Financial Asset days are calculated as Other Financial Assets divided by Revenue from operations multiplied by 365 days*
5. *Other Current Asset days are calculated as Other Current Assets divided by Revenue from operations multiplied by 365 days*
6. *Trade Payables days are calculated as Trade Payables divided by Revenue from operations multiplied by 365 days*
7. *Other Financial Liabilities days are calculated as Other Financial Liabilities divided by Revenue from operations multiplied by 365 days*
8. *Other Current Liabilities days are calculated as Other Current Liabilities divided by Revenue from operations multiplied by 365 days*
9. *Provisions days are calculated as Provisions divided by Revenue from operations multiplied by 365 days*
10. *Current Tax Liabilities days are calculated as Current Tax Liabilities divided by Revenue from operations multiplied by 365 days*

Assumptions and justifications for holding period levels of our Company

The working capital projections made by our Company are based on certain key assumptions and justifications, as set out below:

Sr. No.	Particulars	Assumptions
Current Assets		
01.	Inventories	Our inventories primarily include inventory for raw materials, bought out components to be used in the process of manufacture and / or directly to be used on project site. Historically our holding periods for inventory have been 49, 23, 20 and 15 days for nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. The reason for such vast variation in the inventory days stems from change in our business mix and substantial increase in revenue from operations. In Fiscal 2022 and Fiscal 2023 our focus was primarily on water solutions however our business mix has evolved since then, with water solutions, solar agriculture solutions and IoT solutions contributing 29.80%, 60.47% and 9.37% to our revenue from operations respectively, during the nine-month period ending December 31, 2024. The components to be used in IoT solutions and solar agriculture solutions are costlier and are required to be stored in adequate quantities across various locations leading to significant increase in our holding periods of inventory during the period of nine month ending December 31, 2024. Given the significant share of solar agriculture solutions and IoT solutions of 43.79% and 27.94% respectively, in our Order Book as of December 31, 2024 of ₹17,231.34 million and the expected rate of growth of our operations, we expect the holding period for inventories going forward to increase. Accordingly, we expect the inventory holding period for Fiscal 2025, Fiscal 2026 and Fiscal 2027 to be in the range of 45, 55 and 55 days, respectively.
02.	Trade Receivables	Historically, our trade receivable days have been 121, 61, 65 and 160 days for 9 months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Fiscal 2022 saw higher trade receivables due to the lingering effects of COVID-19. The pandemic led to delays in fund disbursement for our projects, as budget allocations were prioritized toward addressing COVID-related challenges and its aftermath (government being our major client). To ensure the recovery of overheads and operational costs, our company engaged in trading activities within the water segment. A significant portion of

Sr. No.	Particulars	Assumptions
		these sales occurred in the last two months of Fiscal 2022, with collections materializing in early part of Fiscal 2023, contributing to the elevated year-end trade receivables. Additionally, lower budget allocations for departmental expenditures led to delays in payments for our operations & maintenance (O&M) bills, further impacting receivables. During Fiscal 2023, we experienced strong recoveries from the previous year and initiated work on an electro-chlorination project under the Jal Jeevan Mission (JJM), which benefits from a more structured financial framework, co-funded by both the central and state governments. This strategic shift in our business mix significantly improved our receivables position. Furthermore, our Company successfully collected approximately ₹380 million in March 2023, representing ~33% of our revenue from operations for Fiscal 2023. In March 2024, our collection efficiency further improved, with our Company collecting ₹770 million, ~37.5% of our revenue from operations for Fiscal 2024. This enhanced collection performance led to a reduction in trade receivable days, strengthening our overall financial position. During the Fiscal 2024, our Company forayed into solar agriculture solutions. The payment cycle is inherently prolonged due to the structured approval process and competitive landscape. In this business, since our customer is a farmer, we are required to issue tax invoices on sale of solar pumps. Once the tax invoice is submitted along with the necessary documentation the department meticulously reviews every detail, and payment processing is contingent on fund availability. Furthermore, with multiple vendors—typically 10 to 12 active players in a single state—competing for payments, the disbursement timeline becomes even more unpredictable. This combination of bureaucratic scrutiny, fund constraints, and intense competition often leads to significant delays in receivables. With revenue from solar agriculture solutions contributing 60.47% of our revenue from operations during the nine-month period ending December 31, 2024, our trade receivable days increased to 121 days. Solar agriculture solutions constitute a substantial portion of our Order Book as of December 31, 2024 of ₹17,231.34 million, accounting for 43.79%. As a result, we anticipate trade receivable days for Fiscal 2025, 2026, and 2027 to be approximately 105, 110, and 110 days, respectively.
03.	Other Financial Assets	Historically, our other financial asset days have been 108, 170, 133 and 98 days for nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022. Other financial assets primarily include components like contract assets, margin money deposits and security deposits maturing within 12 months from the date of balance sheet. Contract assets include our unbilled revenue which is the outcome of revenue recognition principle. Our customer base primarily comprises of government authorities where our invoicing is delayed due to the approval process at various levels (Gram panchayat, zilla parishad, circle office, block development offices, and state department or state implementing agencies) particularly for water solutions and IOT solutions segment. Although these approvals take significant time, accounting standards require us to recognize revenue in our financial statements, resulting in unbilled revenue. Besides due to increase in our overall revenue, our margin money deposits required for issuing bank guarantees and letters of credit also increased and we witnessed significant increase in other financial assets days to 133 days and 170 days respectively, during the Fiscal 2023 and Fiscal 2024. During Fiscal 2024, we forayed into solar agriculture solutions where tax invoices are issued on sale of solar pumps. Although tax-invoices are issued to initiate the payment process, there is a significant amount of unbilled revenue being booked in this segment as well. In order to convert the farmer into our client, we ensure immediate delivery, installation and commissioning at the farmer's site. Post completion of installation and commissioning, the same has to be verified by the concerned authority, pending the same the tax invoice cannot be raised eventually adding on to our unbilled revenue. Accordingly, we expect our other financial assets days to be at 100, 110 and 110 days for Fiscals 2025, 2026 and 2027 respectively.
04.	Trade Payables	Historically, our trade payable days have been 54, 36, 62, and 57 days for the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023, and Fiscal 2022, respectively. In Fiscals 2022 and 2023, our payment capacity was heavily reliant on internal accruals and collections from government departments. Government collections involved

Sr. No.	Particulars	Assumptions
		prolonged processing times resulting into liquidity management issues. Consequently, we had to extend payments to our trade creditors, which resulted in extended trade payable days of 57 and 62 days for these fiscal years. As a result, our suppliers charged higher prices, incorporating interest costs to compensate for the extended credit period. However, in Fiscal 2024, our Company successfully raised ₹99.05 crores, enabling us to make timely supplier payments. This improved our margins and significantly reduced trade payable days to 36 days. For the nine months ended December 31, 2024, our trade payable days increased to 54 days, primarily due to a substantial increase in revenue from operations and a shift in our business mix. Our revenue from operations increased by 50.77%. to ₹3,056.79 million in only nine-month period ended December 31, 2024, from ₹2,027.49 million in Fiscal 2024. Additionally, our business mix has evolved, with increased focus on solar agriculture solutions, and IoT. Looking ahead, we plan to utilize IPO proceeds in Fiscal 2026 and Fiscal 2027 to facilitate early supplier payments, enhance margins, and lower procurement costs. Consequently, we estimate our trade payable days to be 50, 45, and 45 for Fiscals 2025, 2026, and 2027, respectively.
05.	Other Current Assets	In the past number of days of other current assets for Fiscals 2022, 2023, 2024 and nine months ended December 31, 2024 were 26, 9, 16 and 20 days respectively. These assets primarily comprise of advance to suppliers, GST recoverable, pre-paid expenses. Going forward, we expect our other current assets to be at 20 days during Fiscal 2025, Fiscal 2026 and Fiscal 2027 in line with our days during nine months ended December 31, 2024.
06.	Other Financial Liabilities	Our historical days of other financial liabilities for Fiscals 2022, 2023, 2024 and nine months ended December 31, 2024 were 5, 9 3 and 5 days respectively. These liabilities primarily comprise of director remunerations and employee related payables. Going forward, we project other financial liabilities days at 5 days for Fiscal 2025, Fiscal 2026 and Fiscal 2027.
07.	Other Current Liabilities	Our historical days of other current liabilities for Fiscals 2022, 2023, 2024 and nine months ended December 31, 2024 were 3, 6, 3 and 3 days respectively. These liabilities primarily comprise of government liabilities such as TDS, TCS, GST, PF, ESIC and PT payables. Going forward, we project other current liabilities days at 3 days for Fiscal 2025, Fiscal 2026 and Fiscal 2027 in line with our days during nine months ended December 31, 2024.
08.	Provisions	Our historical days of provisions for Fiscals 2022, 2023, 2024 and nine months ended December 31, 2024 were 3, 6, 3 and 3 days respectively. These liabilities primarily comprise of gratuity and warranty provisions and labor cess. Going forward, we project provision days at 3 days for Fiscal 2025, Fiscal 2026 and Fiscal 2027 in line with our days during nine months ended December 31, 2024.
09.	Current Tax liabilities	Our historical days of current tax liabilities for Fiscals 2022, 2023, 2024 and nine months ended December 31, 2024 were 5, 1, 6 and 15 days respectively. Going forward, we project current tax liabilities days at 5 days for Fiscal 2025, Fiscal 2026 and Fiscal 2027.

Note: As certified by V S Nasery & Co., Chartered Accountants, by way of their certificate dated February 10, 2025.

2. General corporate purposes

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

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

(i) strategic initiatives, including inorganic growth;

(ii) funding growth opportunities;

(iii) strengthening marketing capabilities;

(iv) meeting ongoing general corporate contingencies;

(v) capital expenditure, costs / expenses towards meeting certain business requirements;

(vi) meeting expenses incurred in the ordinary course of business including payment of commission and/or fees to consultants; and

(vii) developing and expanding our offerings;

(viii) any other purpose, as may be approved by the Board or duly appointed committee, from time to time, subject to compliance with applicable law.

The Net Proceeds will first be utilized towards the Objects as first set out above. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes at its discretion, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the gross proceeds of the Fresh Issue, in compliance with the SEBI ICDR Regulations.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount(s) in the subsequent Fiscals.

Interim use of Net Proceeds

The Net Proceeds shall be retained in the Public Issue Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board or a duly constituted committee thereof.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Offer Related Expenses

The Offer expenses are estimated to be approximately ₹ [●] million. The Offer expenses comprises, among other things, listing fees, underwriting fee, selling commission and brokerage, fees payable to the Book Running Lead Managers, legal advisors, Registrar to the Offer, Banker(s) to the Offer, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, fees payable to the Sponsor Banks for Bids made by UPI Bidders using UPI Mechanism, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

Other than (A) (a) the listing fees, (b) audit fees of the Statutory Auditors (other than the fees paid by our Company to the Statutory Auditors in relation to the Offer), stamp duty payable on the issue of Equity Shares pursuant to Fresh Issue and (c) expenses for corporate advertisements and branding of our Company undertaken in the ordinary course of business by our Company, i.e. any corporate advertisements consistent with past practices of our Company, which shall be solely borne by our Company, and (B) (a) fees for counsel to the Selling Shareholders, and (b) securities transaction tax pertaining to the respective portion of the Offered Shares sold pursuant to the Offer, if any, which shall be borne solely by the respective Selling Shareholder, our Company and each of the Selling Shareholders, severally and not jointly, agree that all the costs and expenses directly attributable to the Offer, shall be borne by the Company and Selling Shareholders, on a pro rata basis, in proportion to the Equity Shares allotted pursuant to the Fresh Issue and the number of Equity Shares sold by each of the Selling Shareholders through the Offer for Sale, upon listing of the Equity Shares on the Stock Exchange(s) pursuant to the Offer in accordance with applicable law. All the expenses relating to the Offer shall be paid by the Company in the first instance and upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, each Selling Shareholder agrees that it shall, severally and not jointly, reimburse the Company for any and all the expenses in relation to the Offer paid by the Company on behalf of the respective Selling Shareholder, and each Selling Shareholder authorises, severally and not jointly, the Company to deduct from the proceeds of the Offer for Sale from the Offer directly from the Public Offer Account, expenses of the Offer required to be borne by such Selling Shareholder in proportion to the respective portion of the Offered Shares, in accordance with applicable law.

In the event that the Offer is withdrawn or not completed for any reason, all the costs and expenses (including all applicable taxes) directly attributed to the Offer shall be exclusively borne by the Company and the Selling Shareholders in a proportionate manner as above including but not limited to, the fees and expenses of the Book Running Lead Managers and the legal counsels in relation to the Offer, except as may be prescribed by SEBI or any other regulatory authority. Further, in the event any Selling Shareholder withdraws or abandons the Offer or terminates the offer Agreement is terminated in respect of such Selling Shareholder at any stage prior to the completion of Offer, it shall reimburse to the Company all costs, charges, fees and expenses associated with and incurred in connection with the Offer on a pro-rata basis, up to the date of such withdrawal, abandonment or termination with respect to such Selling Shareholder.

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

Activity	**Estimated expenses (1) (₹ in million)**	**As a % of total estimated Offer related expenses (1)**	**As a % of Offer size (1)**
Fees payable to the BRLMs and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/ processing fee for SCSBs and Bankers to the issue and fees payable to the Sponsor Bank(s) for Bids made by UPI Bidders. Brokerage, selling commission and bidding charges for the Members of the Syndicate, Registered Brokers, RTAs and CDPs(2)(3)(4)(5)(6)	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Fees payable to the parties to the Offer including, Statutory Auditors, Independent Chartered Accountant, industry expert, and fees payable to legal counsel	[●]	[●]	[●]
Others:			
Listing fees, SEBI fees, BSE and NSE processing fees, book-building software fees, and other regulatory expenses	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) *The Offer expenses will be incorporated in the Prospectus on finalization of the Offer Price.*

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

Portion for RIIs	*[●]% 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 Offer Price.*

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE. No additional processing fees shall be payable to the SCSBs on the applications directly procured by them.

(3) *No processing fees shall be payable by the Selling Shareholders to the SCSBs on the applications directly procured by them.*

Processing / uploading fees payable to the SCSBs on the portion for RIIs and Non-Institutional Investors 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 RIIs	*[●]% 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 Offer Price.*

(4) *Selling commission on the portion for RIIs (using the UPI Mechanism), Non-Institutional Investors which are procured by Members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

Portion for RIIs	*[●]% 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 Offer Price.*

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIIs using 3-in-1 accounts and Non-Institutional Investors which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹ [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

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.

(5) *Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIIs procured through UPI Mechanism and Non-Institutional Investors which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:*

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

* *Based on valid applications*

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

Payable to Members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs	*₹ [●] per valid application (plus applicable taxes)*
Payable to Sponsor Banks	*₹ [●] per valid application (plus applicable taxes)* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in*

	connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.
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/PoD-2/P/CIR/2023/00094 dated June 21, 2023.

Bridge financing facilities

We have not availed bridge financing from any bank or financial institution which are required to be repaid from the Net Proceeds.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilised, require appraisal from, or have been appraised by, any bank/ financial institution/ any other agency, in accordance with applicable law. For details, see *"Risk Factors – Any variations in our funding requirements and the proposed deployment of Net Proceeds may affect our business and results of operations.*" on page 67.

Monitoring utilization of funds from the Offer

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with the RoC, we will appoint a SEBI registered credit rating agency as a monitoring agency to monitor the utilization of the Gross Proceeds as the size of the Fresh Issue exceeds ₹ 1,000.00 million. Our Company will provide details/ information/ certifications on the utilisation of Gross Proceeds obtained from our Statutory Auditors to the Monitoring Agency. Our Audit Committee and the monitoring agency will monitor the utilisation of the Gross Proceeds (including in relation to the utilisation of the Gross Proceeds towards the general corporate purposes) and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations on a quarterly basis, until such time as the Gross Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. The quarterly report shall provide item by item description for all the expense heads under each Object of the Offer. Our Company will disclose the utilisation of the Gross Proceeds, including interim use under a separate head in its balance sheet for such Fiscals, as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Gross Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such unutilised Gross Proceeds.

Pursuant to the Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Gross Proceeds. The Audit Committee shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilization of the Gross Proceeds of the Offer from the Objects as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee. We will disclose the utilization of the Gross Proceeds under a separate head along with details in our balance sheet(s) until such time as the Gross Proceeds remain unutilized clearly specifying the purpose for which such Gross Proceeds have been utilized.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects unless our Company is authorised to do so by way of a special resolution passed in a general meeting of its Shareholders or through postal ballot, video conferencing or other audio visual means in terms of General Circular 14/2020 dated April 8, 2020 issued by MCA, read with amendments thereto. 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. Our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and provisions of Regulation 59 and Schedule XX of the SEBI Regulations. For further details see, "*Risk Factors - Any variations in our funding requirements and the proposed deployment of Net Proceeds may affect our business and results of operations."* on page 67.

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Selling Shareholders, no part of the Net Proceeds will be paid to our Promoters, members of the Promoter Group, Group Company, Directors, our Key Managerial Personnel or Senior Management. Our Company has neither entered into nor has planned to enter into any arrangement/ agreements with our Promoters, members of the Promoter Group, Directors, our Key Managerial Personnel, our Senior Management Personnel and/or our Group Company in relation to the utilization of the Net Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the Objects of the Offer except as set out above.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares of face value of ₹2 each offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹2 each and the Offer Price is [●] times the face value of the Equity Shares 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 the sections *"Risk Factors", "Our Business", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages* 29, 209, 278 *and* 378*, 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 Offer Price are set forth below:

1. Comprehensive solutions focused on Clean-tech projects across multiple high growth sectors

We are the only Clean-tech company in India with a diverse offering for rural transformation, focused on water solutions, solar agriculture solutions, and IoT solutions for energy, agriculture, and water management sectors (*Source: 1Lattice Report*). We have a comprehensive portfolio of offerings across multiple areas of operation, which is tailored to meet the specific needs of communities and environmental conditions.

As of December 31, 2024, we had a comprehensive portfolio of water solutions, solar agriculture solutions and IoT solutions, with a variety of applications for, amongst others, water and waste water treatment, disinfection, purification, water supply, solar powered irrigation pumps and cold storages, and IoT. We adopt an integrated, multi-theme approach, addressing a range of inter-connected challenges in rural areas, including clean water, sanitation, energy, and digital needs. This holistic approach allows us to deliver solutions that are not only effective but also sustainable, promoting long-term community development and drive impactful change in the communities we serve.

2. Track record of executing complex projects backed by innovation, enabling a strong Order Book and client relationships

We have a proven track record of successfully executing complex projects of various sizes across India's public sector. Our expertise is reflected in our industry knowledge, technical know-how, and ability to scale operations. Examples of our technical expertise are demonstrated through key projects such as (i) project of supply, installation, commissioning and maintenance of electro chlorination plants across 17,320 villages across Maharashtra for disinfection of water supply schemes under Jal Jeevan Mission; (ii) supply of solar irrigation pumps to 8,736 farmers under PM Kusum Scheme; (iii) IoT based monitoring of water supply schemes covering 2,639 villages across Maharashtra which leverage real-time data collection and analytics to monitor, control, and optimize water supply system, ensuring efficient utilization and minimizing wastage; (iv) IoT based monitoring of sub-stations to improve the reliability and efficiency of power distribution and reduce operational costs and downtime by facilitating preventative maintenance and efficient energy management covering 1,837 substations across Maharashtra which leverage real-time data collection and analytics to monitor, control, and optimize water supply system, ensuring efficient utilization and minimizing wastage; (v) supply, installation, commissioning, operation & maintenance of fluoride, arsenic, iron and salinity removal community water treatment plants; (v) India's first large scale 30 MLD drain interception and treatment plant along the ganga river in Varanasi (*Source: 1Lattice Industry Report*), incorporating advanced oxidation processes to purify wastewater; and (vi) construction of drinking water supply schemes.

Our successful project execution has led to a strong Order Book of ₹ 17,231.34 million as of December 31, 2024, highlighting a robust and diverse project pipeline. This enhances revenue potential, market expansion, and ensures stability. As of December 31, 2024, we had 23 clients such as state water and sanitation mission, Maharashtra state electricity distribution company limited, Maharashtra energy development agency, executive engineer, public health engineering department, Banka; and other government departments.

3. Asset light business model enabling agility and scalability

We follow an asset-light business model, focusing on strategic sourcing to optimize our core operations and enable scalability across geographies. Our asset-light model is a strategic choice that aligns with our focus on innovation and quality in core components while enjoying the flexibility, scalability, and cost-efficiency offered by outsourcing other parts of the production process. This model not only supports our growth objectives but also enhances its ability to adapt to the dynamic global market for clean water technologies.

By focusing on strategic sourcing and collaborating with specialized third-party vendors, including partners for solar pumps under schemes like PM Kusum Scheme, we maintain capital efficiency without compromising on the quality of our offerings. By keeping our capital commitments low, we can allocate resources more strategically, focusing on growth and enhancing service quality while maintaining a strong financial foothold.

4. Sustainability focused business model aligned with ESG principles and global sustainability goals

We operate with a sustainability-driven business model, integrating environmental, social, and governance ("ESG") principles across our operations. This approach aligns with global sustainability goals and underscores our commitment to creating long-term positive impacts on the environment and the communities we serve. Our adherence to ESG principles ensures that sustainability is embedded in our solutions development process. In Fiscal 2023, our ESG performance earned ratings of 3, 2.8, and 3.6 from CARE Advisory Research & Training Limited). These ratings reflect our dedication to responsible business practices and bolster our reputation as a trusted partner for impact-driven clients and stakeholders.

Our solutions support nine SDGs, including efforts to address water scarcity, clean energy access, and climate change mitigation. Beyond direct environmental benefits, we empower communities with essential resources, transforming underserved regions and fostering economic development through innovative, cost-effective solutions.

5. Experienced management team and qualified personnel with significant industry experience backed by marquee investors

We are promoted by Abhijeet V. Gan, Managing Director and Chief Executive Officer and Vinayak S. Gan, Executive Chairman of our Company. Vinayak S. Gan, our Executive Chairman, has 42 years of experience as an entrepreneur and is currently involved in human resource management, project procurement, operational framework, manpower planning, and handling the processes and policies of our Company and Abhijeet V. Gan, our Managing Director & CEO, is currently involved in the involved in business development, project administration and execution, providing strategic advice to the Board and has 18 years of cumulative experience in water, solar and IoT sectors.

We are also led by experienced Key Managerial Personnel and Senior Management Personnel with extensive industry knowledge. Members of our management team have experience in the sector of water, solar information technology, and in the field of project management, execution of projects and business development and under their leadership over the last several years, we have grown rapidly. The combination of our experienced Board of Directors and our dynamic management team positions us well to capitalize on future growth opportunities.

We are also supported by marquee investors. For example, our past investors include SIDBI Trustee Company Limited to whom we provided a full exit. In November 2023, we became the first global investment by the W2AF, managed by Incofin Investment Management in Belgium.

For further details, see "*Our Business – Competitive Strengths*" on page 211.

Quantitative factors

Certain information presented below, relating to our Company, is derived from the Restated Consolidated Financial Statements. For further details, see the section "*Financial Information*" on page 278.

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

1. **Basic and diluted earnings per share ("EPS"), as adjusted for changes in capital:**

Particulars	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2024	7.43	6.86	3
Fiscal 2023	2.97	2.97	2
Fiscal 2022	1.03	1.03	1
Weighted Average	4.88	4.59	
Nine-month period ended December 31, 2024#	9.99	8.38	-

Not annualised.

Notes:

(1) Restated basic and diluted earnings/ (loss) per equity share (in ₹) are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended). The face value of Equity Shares of our Company is ₹2.

(2) Basic Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of equity shares outstanding during the financial year/period.

(3) Diluted Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of potential equity shares outstanding during the financial year/period.

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

(5) Our company has sub-divided each of its equity shares bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and carried a bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of earnings per share (basis and diluted) as per the requirement / principles of Ind AS 33, as applicable. The

Earnings per Equity Share (basic and diluted) has been calculated for all periods presented after giving effect to such sub-division and bonus issuance in accordance with applicable accounting standards.

2. **Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share of face value of ₹2 each:**

Particulars	P/E at the Floor Price (no. of times)#	P/E at the Cap Price (no. of times)#
Based on Basic EPS as per the Restated Consolidated Financial Statements for Fiscal 2024	[●]	[●]#
Based on Diluted EPS as per the Restated Consolidated Financial Statements for Fiscal 2024	[●]	[●]

\# *To be updated on finalisation of the Price Band.*

3. **Industry peer group P/E ratio**

Particulars	P/E Ratio
Highest	71.91
Lowest	26.64
Average	44.13

Notes:

(1) The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed.

(2) P/E Ratio has been computed based on the closing market price of equity shares on BSE on February 3, 2025 divided by the diluted earnings per share for the year ended March 31, 2024.

(3) All the financial information for listed industry peers mentioned above is taken as is sourced from the audited consolidated financial statements of the relevant companies for Fiscal 2024 (unless otherwise available only on standalone basis), as available on the websites of the stock exchanges.

4. **Return on Net Worth ("RoNW")**

As derived from the Restated Consolidated Financial Statements of our Company:

Particulars	RoNW (%)	Weight
Fiscal 2024	21.04	3
Fiscal 2023	26.85	2
Fiscal 2022	12.72	1
Weighted Average	21.59	
Nine-month period ended December 31, 2024#	23.39	-

\# *Not annualised*

Notes:

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

(2) Return on Net Worth (%) = Net profit after tax, as restated / Net worth as restated as at period/year end.

(3) Net worth has been defined as the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended.

5. **Net Asset Value per Equity Share of face value ₹2 each ("NAV")**

NAV per Equity Share	Amount (₹)
As at March 31, 2024	35.31
As at December 31, 2024	42.73
After completion of the Offer	
- At the Floor Price	[●]*
- At the Cap Price	[●]*
At the Offer Price	[●]#

* *To be computed after finalisation of the Price Band*

\# *To be determined on conclusion of the Book Building Process.*

Notes:

(1) Net asset value per Equity Share= Net worth as restated / Weighted average number of Equity Shares outstanding during the year

(2) Net worth has been defined as the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on December 31, 2024 and March 31, 2024 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended

(3) Our company has sub-divided each of its equity shares bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and carried a bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of net asset value per equity share as per the requirement / principles of Ind AS 33, as applicable. The Net Asset Value per Equity Share has been calculated for all periods presented after giving effect to such sub-division and bonus in accordance with applicable accounting standards

6. **Comparison of accounting ratios with listed industry peers**

The peer group of our Company has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses in terms of our size, scale and our business model:

Name of the Company	Revenue from operations (in ₹ million)	Face value per equity share (₹)	Closing price on February 3, 2025 (₹) per equity share/ Offer Price	P/E Ratio (x)	EV/ EBITDA Ratio for Fiscal 2024 (x)	EBITDA for Fiscal 2024 (in ₹ million)	EPS (Basic) for Fiscal 2024 (₹ per share)	EPS (Diluted) for Fiscal 2024 (₹ per share)	RoNW for Fiscal 2024 (%)	Net Asset Value per Equity Share for Fiscal 2024 (₹ per share)
Rite Water Solutions (India) Limited*	2,027.49	2	NA	[●]^^	[●]^^	704.97	7.43	6.86	21.04	35.31
Listed peers**										
ION exchange (India) Limited	23,478.49	1	539.55	32.63	27.50	2,719.37	16.53	16.53	19.19	69.40
VA Tech Wabag Limited	28,564.00	2	1,306.65	33.09	21.04	3,757.00	39.49	39.49	13.77	292.42
Shakti Pumps (India) Limited^	13,707.39	10	897.50	70.06	47.47	2,248.32	12.81	12.81	18.75	62.86
EMS Limited	7,933.11	10	782.60	26.64	21.08	2,038.47	29.38	29.38	19.13	143.73
Ceinsys Tech Limited	2,529.39	10	1,619.40	71.91	63.25	440.72	22.52	22.52	14.95	143.27
Enviro Infra Engineers Limited	7,289.15	10	247.75	30.47	24.94	1,693.22	8.13	8.13	37.16	21.35

** *All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the financial statements of the respective companies for the year ended March 31, 2024 submitted to stock exchanges.*

* *Financial information of our Company has been derived from the Restated Consolidated Financial Statements.*

^ *EPS and NAV numbers are adjusted for Bonus Issue post March 31, 2024, as announced on www.bseindia.com and www.nseindia.com*

^^ *To be computed after finalisation of price band*

Notes:

1. *P/E ratio for the listed industry peers has been computed based on the closing market price of equity shares on BSE Limited ("BSE") as on February 3, 2025 divided by the diluted earnings per share for the year ended March 31, 2024.*
2. *EV/ EBITDA ratio for the listed industry peers has been computed as the market capitalization of the industry peers based on the closing market price of equity shares on BSE on February 3, 2025, plus the net debt as on March 31, 2024 divided by EBITDA for the year ended March 31, 2024.*
3. *Return on Net Worth (%) = Ratio of Profit /(loss) for the year attributable to owners of the company for the Fiscal to Net Worth as of the last day of the relevant Fiscal.*
4. *Net Asset Value per Equity Share = Net worth / Weighted average number of Equity Shares outstanding during the year.*
5. *Net worth has been defined as the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2024 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended*
6. *Our company has sub-divided each of its equity shares bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and carried a bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of earnings per share and net asset value per equity share as per the requirement / principles of Ind AS 33, as applicable. The Earnings per Equity Share (basic and diluted) and Net Asset Value has been calculated for all periods presented after giving effect to such sub-division and bonus in accordance with applicable accounting standards*
7. *EBITDA is calculated as profit before exceptional items and tax minus other income (including share of profit of associate) plus finance costs, depreciation and amortisation*

For further details of non-GAAP measures, see the section "Other Financial Information" on page 374, to have a more informed view.

7. **Key Performance Indicators ("KPIs")**

The table below sets forth the details of the key performance indicators ("**KPIs**") that our Company considers have a bearing for arriving at the basis for Offer Price. These KPIs have been used historically by our Company to understand and analyse our business performance, which as a result, help us in analysing the growth of business in comparison to our peers.

All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 10, 2025, and the Audit Committee has confirmed that all KPIs pertaining to our Company that have been disclosed to investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus have been disclosed in this section and have been subject to verification and certification by V S Nasery & Co., Chartered Accountants, pursuant to their certificate dated February 10, 2025 which has been included as part of the "*Material Contracts and Documents for Inspection*" on page 532.

Our Company confirms that it shall continue to disclose all the KPIs included below in this section on a periodic basis, at least once in a year (or any lesser period as determined by our Board), for a duration that is the later of one year after the date of listing of the Equity Shares on the Stock Exchanges, or till the utilisation of the Net Proceeds as disclosed in "*Objects of the Offer*" on page 116, or for such other duration as may be required under the SEBI ICDR Regulations.

The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Statements. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS and may have limitations as analytical tools. A list of our KPIs as of and for the nine-month period ended December 31, 2024 and the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, is set out below:

(*in ₹ million, unless otherwise indicated*)

Particulars	Unit	As at and for the nine-month period ended December 31, 2024	As at and for Fiscal		
			2024	2023	2022
Operating KPIs					
Total Order Book(1)	₹ million	17,231.34	16,377.60	3,663.42	1,587.39
Order Book Split					
A) Water Solutions	₹ million	4,870.71	4,759.56	3,663.42	1,587.39
B) Solar Agriculture Solutions	₹ million	7,545.82	8,949.49	-	-
C) IoT Solutions	₹ million	4,814.81	2,668.56	-	-
Financial KPIs					
Revenue from Operations(2)	₹ million	3,056.79	2,027.49	1,194.34	768.14
Revenue Growth(3)	%	NA	69.76%	55.48%	NA
Revenue from Operations Split					
A) Water Solutions	₹ million	910.91	1,605.41	1,194.34	768.14
B) Solar Agriculture Solutions	₹ million	1,848.48	334.72	-	-
C) IoT Solutions	₹ million	297.40	87.36	-	-
EBITDA(4)	₹ million	971.49	704.97	364.94	86.99
EBITDA Margin(5)	%	31.78%	34.77%	30.56%	11.32%
PAT(6)	₹ million	715.06	492.80	250.21	86.75
PAT Margin(7)	%	23.39%	24.31%	20.95%	11.29%
Return on Capital Employed*(8)	%	26.96%	27.22%	36.66%	9.81%
Return on Equity*(9)	%	23.39%	21.04%	26.85%	12.72%
Cashflow from Operations(10)	₹ million	(1,162.17)	(219.18)	317.77	0.96
Net Debt to EBITDA Ratio*(11)	In times	0.30	(1.32)	(0.67)	0.48
Trade Receivable Days*(12)	In days	162	52	53	140
Inventory Days*(13)	In days	74	37	20	15
Cash Conversion Cycle*(14)	In days	186	38	11	98
Total Borrowings(15)	₹ million	459.29	186.46	43.46	167.62
Debt to equity ratio*(16)	In times	0.15	0.08	0.05	0.25

* *Not annualised for nine-months period ended December 31, 2024*

Notes: -

1. *Order book comprises anticipated revenue from the unexecuted portions of existing contracts (including signed contracts for which all pre-conditions for entry into force have been met and letters of acceptance issued by the customer prior to execution of the final contract).*
2. *Revenue from Operations is as per the Restated Consolidated Financial Statements for the relevant periods / year.*
3. *Revenue growth (%) is calculated as a percentage of Revenue from Operations of the relevant year/ period minus Revenue from Operations of the preceding year/ period, divided by Revenue from Operations of the preceding year/ period*
4. *EBITDA is calculated as profit before exceptional items and tax minus other income (including share of profit of associate) plus finance costs, depreciation and amortisation*
5. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations*
6. *PAT means profit for the year/ period as appearing in the Restated Consolidated Financial Statements for the relevant periods / year*
7. *PAT Margin (%) is calculated as Profit for the year/ period as a percentage of Revenue from Operations*
8. *Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of Total Equity and Total Borrowings. EBIT is calculated as EBITDA minus depreciation and amortization*

9. *Return on Equity is calculated as profit for the year/ period divided by total equity*
10. *Net cash generated from operating activities for the year/ period as per the Restated Consolidated Financial Statements for the relevant periods / year.*
11. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings minus total of cash and cash equivalents, bank balances other than cash and cash equivalents and current investments*
12. *Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days.*
13. *Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days.*
14. *Cash conversion cycle is calculated as inventory days plus trade receivable days minus Trade payable days. Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days. Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days. Trade payable days are calculated as Trade payable divided by Revenue from operations multiplied by 365 days*
15. *Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*
16. *Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Statements. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see sections titled "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" starting on pages 209 and 378, respectively. We have described and defined the KPIs, as applicable, in "*Definitions and Abbreviations – Technical and Industry Related Terms*" on page 12. Bidders are encouraged to review the Ind AS financial measures and not to rely on any single financial or operational metric to evaluate our business. For further details, see "*Risk Factors — Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.*" on page 74.

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

Brief explanation of the relevance of the KPIs for our business operations is set forth below. We have also described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" beginning on page 1.

KPI	Rationale
Operating KPIs	
Total Order Book	Order Book as of a particular date comprises of the estimated billing from the unexecuted portions of all existing contracts of our Company
Order Book Split	Order Book split by offerings wise helps in understanding offering wise break up of our Company's Order Book
Financial KPIs	
Revenue from Operations	Revenue from Operations represents scale of our Company's business as well as provides information regarding a Company's overall financial performance
Revenue from Operations Split	Revenue split by offerings wise helps in understanding offering wise break up of our Company's revenue streams
Revenue Growth Rate	Growth in Revenue from Operations provides information regarding the growth of the business for the respective year
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	It is an indicator of the profitability of a Company's business and assists in tracking the margin profile of a company's business
PAT	It represents the restated profit / loss for the period / year from continuing operations as per Restated Consolidated Financial Statements that a Company makes for the financial year or during a given period
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of the business
Return on Capital Employed	It represents how efficiently a Company generates earnings before interest & tax from the capital employed.

KPI	Rationale
Return on Equity	It represents how efficiently a Company generates profits from their shareholders funds
Cashflow from Operations	Cashflow from operations is the amount of cash a company generates from its core business operations over a given period of time
Net Debt to EBITDA Ratio	It enables a company to measure the ability and extent to which a Company can cover their debt in comparison to the EBITDA being generated by them
Trade Receivable Days	It measures indicates how efficiently a company manages its trade receivables
Inventory Days	It measures indicates how efficiently a company manages its inventories
Cash Conversion Cycle	Cash Conversion Cycle days indicate the working capital requirements in relation to revenue generated from operations
Total Borrowings	Total borrowings measure the portion of a company's assets that are financed by borrowings
Debt to equity ratio	Debt to Equity Ratio is calculated as total borrowings divided by total equity. It is used to evaluate our Company's financial leverage

Comparison of KPIs with our peers listed in India

Set forth below is a comparison of our KPIs with our peer group companies listed in India and operating in the same industry as our Company, whose business profile is comparable to our business in terms of our size, scale and our business model:

(in ₹ million, unless otherwise specified)

Sr. No.	Particulars	Rite Water Solutions (India) Limited[2]				ION Exchange India Limited[1]				VA Tech Wabag Limited[1]				Enviro Infra Engineers Limited[1]				Shakti Pumps (India) Limited[1]				EMS Limited[1]				Ceinsys Limited[1]			
		Nine-month period ended December 31, 2024	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**
1.	Total Order Book	17,231.34	16,377.60	3,663.42	1,587.39	NA	35,460.00	34,300.00	26,740.00	NA	1,14,480.00	1,32,190.00	1,01,070.00	24,250.00	21,255.86	14,966.86	1,698.64	20,700.00	24,000.00	NA	NA	NA	18,000.00	NA	NA	NA	7,100.00	NA	NA
2.	**Order Book Split**																												
3.	Water Solutions	4,870.71	4,759.56	3,663.42	1,587.39	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
4.	Solar Agriculture Solutions	7,545.82	8,949.49	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5.	IoT Solutions	4,814.81	2,668.56	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6.	Revenue from Operations	3,056.79	2,027.49	1,194.34	768.14	19,025.50	23,478.49	19,896.09	15,768.68	21,378.00	28,564.00	29,605.00	29,793.00	6,656.48	7,289.15	3,381.02	2,235.25	18,509.20	13,707.39	9,676.83	11,785.35	6,850.39	7,933.11	5,381.62	3,599.17	NA	2,529.39	2,194.98	2,028.86
7.	Revenue Growt	NA	69.76%	55.48%	NA	NA	18.01%	26.17%	NA	NA	-3.52%	-0.63%	NA	NA	115.59%	51.26%	NA	NA	41.65%	-17.89%	NA	NA	47.41%	49.52%	NA	NA	15.24%	8.19%	NA

Sr. No.	Particulars	Rite Water Solutions (India) Limited[2]				ION Exchange India Limited[1]				VA Tech Wabag Limited[1]				Enviro Infra Engineers Limited[1]				Shakti Pumps (India) Limited[1]				EMS Limited[1]				Ceinsys Limited[1]			
		Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022
	h Rate[4]																												
8.	**Revenue from Operations Split**																												
9.	Water Solutions	910.91	1,605.41	1,194.34	768.14	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
10	Solar Agriculture Solutions	1,848.48	334.72	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
11	IoT Solutions	297.40	87.36	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
12	EBITDA[5]	971.49	704.97	364.94	86.99	2,079.80	2,719.37	2,549.87	2,132.07	2,807.00	3,757.00	3,178.00	2,369.90	1,608.42	1,693.22	816.87	500.23	4,390.10	2,248.32	665.60	1,104.51	1,899.00	2,038.47	1,500.00	1,127.09	NA	440.72	317.19	221.95
13	EBITDA Margin[6]	31.78%	34.77%	30.56%	11.32%	10.93%	11.58%	12.82%	13.52%	13.13%	13.15%	10.73%	7.95%	24.16%	23.23%	24.16%	22.38%	23.72%	16.40%	6.88%	9.37%	27.72%	25.70%	27.87%	31.32%	NA	17.42%	14.45%	10.94%
14	PAT	715.06	492.80	250.21	86.75	1,450.10	1,953.52	1,949.66	1,616.88	1,953.00	2,504.00	110.00	1,320.60	1,030.59	1,085.70	553.39	345.49	2,981.40	1,417.09	241.32	648.16	501.86	1,526.63	1,088.51	788.50	NA	349.99	308.87	95.19
15	PAT Margin[7]	23.39%	24.31%	20.95%	11.29%	7.62%	8.32%	9.80%	10.25%	9.14%	8.77%	0.37%	4.43%	15.48%	14.89%	16.37%	15.46%	16.11%	10.34%	2.49%	5.50%	7.33%	19.24%	20.23%	21.91%	NA	13.84%	14.07%	4.69%
16	Return on	26.96%	27.22%	36.66%	9.81%	NA	20.09%	25.24%	26.08%	NA	17.38%	17.23%	11.56%	NA	31.14%	41.47%	53.82%	NA	24.48%	9.76%	18.40%	NA	22.65%	27.24%	28.43%	NA	16.00%	10.67%	8.20%

Sr. No.	Particulars	Rite Water Solutions (India) Limited[(2)]				ION Exchange India Limited[(1)]				VA Tech Wabag Limited[(1)]				Enviro Infra Engineers Limited[(1)]				Shakti Pumps (India) Limited[(1)]				EMS Limited[(1)]				Ceinsys Limited[(1)]			
		Nine-month period ended December 31, 2024	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**	**Nine-month period ended December 31, 2024**	**For FY 2024**	**For FY 2023**	**For FY 2022**
	Capital Employed*[(8)]																												
17	Return on Equity*[(9)]	23.39%	21.04%	26.85%	12.72%	NA	19.16%	23.33%	24.69%	NA	13.73%	0.70%	8.65%	NA	37.36%	43.61%	48.23%	NA	18.75%	5.77%	16.49%	NA	19.07%	22.09%	20.54%	NA	14.95%	15.58%	5.57%
18	Cashflow from Operations	-1,162.17	-219.18	317.77	0.96	NA	1,299.44	627.28	913.81	NA	1,335.00	849.00	116.40	NA	-690.02	1,010.88	415.96	NA	543.78	386.86	169.95	NA	-1,160.16	41.98	276.01	NA	490.37	469.78	264.00
19	Net Debt to EBITDA Ratio*[(10)]	0.30	-1.32	-0.67	0.48	NA	-1.60	-1.92	-2.26	NA	-0.59	-0.18	0.03	NA	-0.74	-1.05	-0.46	NA	-0.52	0.87	0.56	NA	-0.24	-0.51	-0.76	NA	-0.84	0.44	1.63
20	Trade Receivable Days*[(12)]	162	52	53	140	NA	145	128	118	NA	254	186	162	NA	52	61	64	NA	178	92	119	NA	112	84	118	NA	240	265	326
21	Inventory Days*[(11)]	74	37	20	15	NA	37	41	42	NA	5	4	4	NA	18	11	14	NA	79	78	67	NA	41	71	55	NA	1	7	2
22	Cash Conversion	186	38	11	98	NA	74	67	38	NA	243	174	147	NA	-12	-34	20	NA	141	122	97	NA	149	144	129	NA	168	217	245

Sr. No.	Particulars	Rite Water Solutions (India) Limited(2)				ION Exchange India Limited(1)				VA Tech Wabag Limited(1)				Enviro Infra Engineers Limited(1)				Shakti Pumps (India) Limited(1)				EMS Limited(1)				Ceinsys Limited(1)			
		Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022	Nine-month period ended December 31, 2024	For FY 2024	For FY 2023	For FY 2022
	Cycle*(13)																												
23	Total Borrowings(14)	459.29	186.46	43.46	167.62	NA	1,524.11	592.33	552.22	NA	2,889.00	2,190.00	4,359.20	NA	2,335.95	645.44	181.12	NA	848.28	751.40	1,061.43	NA	706.55	453.96	37.76	NA	90.83	568.72	628.27
24	Debt to equity ratio*(15)	0.15	0.08	0.05	0.25	NA	0.15	0.07	0.08	NA	0.16	0.14	0.29	NA	0.80	0.51	0.25	NA	0.11	0.18	0.27	NA	0.09	0.09	0.01	NA	0.04	0.29	0.37

As certified by V S Nasery & Co., Chartered Accountants, pursuant to their certificate dated February 10, 2025.

* *Not annualised for nine-months period ended December 31, 2024*

Notes: -

1. *For Peer Group Entities, all the financial information mentioned above is on a consolidated basis and is sourced from the audited annual financial statements and the unaudited limited reviewed financial statements for the nine months ended December 2024*
2. *Financial information of our Company has been derived from the Restated Consolidated Financial Statements*
3. *'NA' refers to 'Not applicable' where the financial information is unavailable i.e. not reported by the peer group entities in either their annual audited or quarterly or half-yearly unaudited limited reviewed financial statements to the stock exchanges*
4. *Revenue growth (%) is calculated as a percentage of Revenue from Operations of the relevant year/ period minus Revenue from Operations of the preceding year/ period, divided by Revenue from Operations of the preceding year/ period*
5. *EBITDA is calculated as profit before exceptional items and tax minus other income (including share of profit of associate) plus finance costs, depreciation and amortisation*
6. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations*
7. *PAT Margin (%) is calculated as Profit for the year/ period as a percentage of Revenue from Operations*
8. *Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of Total Equity and Total Borrowings. EBIT is calculated as EBITDA minus depreciation and amortization*
9. *Return on Equity is calculated as profit for the year/ period divided by total equity*
10. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings minus total of cash and cash equivalents, bank balances other than cash and cash equivalents and current investments*
11. *Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days.*
12. *Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days.*
13. *Cash conversion cycle is calculated as inventory days plus trade receivable days minus Trade payable days. Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days. Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days. Trade payable days are calculated as Trade payable divided by Revenue from operations multiplied by 365 days*
14. *Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*
15. *Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*

Comparison of KPIs based on material additions or dispositions to our business

Our Company has not made any material additions or dispositions to our business during the nine month period ended December 2024, and Fiscals 2024, 2023 and 2022.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 209 and 378, respectively.

8. **Justification for Basis for Offer Price**

Price per share of our Company (as adjusted for split) based on primary/ new issue of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plan and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days. ("Primary Issuances")

Dale of allotment	Name of allottees	Nature of Security	Nature of allotment	Number of CCPS at face value of ₹ 10 each	Number of Equity Shares at face value of ₹ 2 each^	Issue price per CCPS (₹)	Issue price per Equity Share (₹)^	Total consideration
November 7, 2023	Water Access Acceleration Fund S.L.P*	CCPS	Private Placement	4,60,531	1,38,15,930	1445.00	48.17	665.47
February 7, 2024	Mukul Mahavir Agrawal	Equity Shares	Private Placement	Nil	4,11,250	NA	304.00	125.02
February 7, 2024	Sanjay Kumar Singhal	Equity Shares	Private Placement	Nil	2,25,325	NA	304.00	68.50
February 7, 2024	GJNX Ventures	Equity Shares	Private Placement	Nil	98,750	NA	304.00	30.02
February 7, 2024	1955 Venture Fund	Equity Shares	Private Placement	Nil	86,615	NA	304.00	26.33
February 7, 2024	Comercinate Enterprises Private Limited	Equity Shares	Private Placement	Nil	33,000	NA	304.00	10.03
February 7, 2024	Sandhana Bhandari	Equity Shares	Private Placement	Nil	29,550	NA	304.00	8.98
February 7, 2024	Lumos Advisors LLP	Equity Shares	Private Placement	Nil	26,350	NA	304.00	8.01
February 7, 2024	Malav Prakashkumar Shah	Equity Shares	Private Placement	Nil	19,625	NA	304.00	5.97
February 7, 2024	Ceramet Consultants Private Limited	Equity Shares	Private Placement	Nil	16,500	NA	304.00	5.02
February 7, 2024	Asha A Patankar	Equity Shares	Private	Nil	16,500	NA	304.00	5.02

			Placement					
February 7, 2024	Shagun Capital Venture	Equity Shares	Private Placement	Nil	16,500	NA	304.00	5.02
February 7, 2024	Darshana Rahul Golecha	Equity Shares	Private Placement	Nil	16,500	NA	304.00	5.02
February 7, 2024	Abhiraj Balraj Jalota	Equity Shares	Private Placement	Nil	16,500	NA	304.00	5.02
February 7, 2024	Monika Abhiraj Jalota	Equity Shares	Private Placement	Nil	16,500	NA	304.00	5.02
February 7, 2024	Vijay Ramvallabh Khetan	Equity Shares	Private Placement	Nil	16,500	NA	304.00	5.02
February 7, 2024	Alpesh Rajesh Modi – HUF	Equity Shares	Private Placement	Nil	13,125	NA	304.00	3.99
February 7, 2024	Sant Kumari Satish Agrawal	Equity Shares	Private Placement	Nil	5,000	NA	304.00	1.52
February 7, 2024	Chintan Hemantkumar Desai	Equity Shares	Private Placement	Nil	5,000	NA	304.00	1.52
Total	**-**		**-**	**-**	**1,48,85,020**	**-**		**990.47**
Weighted Average cost of Acquisition (Total consideration/ Total Number of securities Transacted)								**66.54**

^ *Adjusted to give effect to the sub-division of the equity shares of our Company from ₹ 10 each to ₹ 2 each*

* *As on the date of this Draft Red Herring prospectus, Water Access Acceleration Fund S.L.P does not hold any Equity Shares. An aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares in aggregate pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, prior to the filing of the Red Herring Prospectus with the RoC, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. The proposed conversion, as mentioned above, has been considered while computing the weighted average cost of acquisition of Equity Shares held as on date of this Draft Red Herring Prospectus.*

(a) **Price per share of our Company (as adjusted for split) based on secondary sale / acquisition of Equity Shares or convertible securities, where our Promoters, Selling Shareholders, members of our Promoter Group, or Shareholder(s) having the right to nominate director(s) to the Board of the our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")**

Nil.

(b) **WACA, floor price and cap price**

Types of Transactions	WACA (₹ per Equity Share)*	Floor Price (i.e., ₹ [●])^	Cap Price (i.e., ₹ [●])^
A. WACA for Primary Issuances	66.54	[●] times	[●] times
B. WACA for Secondary Transactions	NA	[●] times	[●] times

***** *As certified by V S Nasery & Co., Chartered Accountants, pursuant to their certificate dated February 10, 2025*

^ *Details have been left intentionally blank as the Floor Price and Cap Price are not available as on date of this Draft Red Herring Prospectus. To be updated upon finalisation of the Price Band.*

(c) **Explanation for Offer Price/ Cap Price being [●] times of WACA of primary issuances/ secondary transactions of Equity Shares of face value of ₹2 each (as disclosed above) along with our Company's KPIs and financial ratios for the nine-month period ended December 31, 2024 and the Fiscals 2024, 2023 and 2022:**

[●]*

* *To be included upon finalisation of the Price Band.*

(d) **Explanation for the Offer Price/Cap Price, being [●] times of weighted average cost of acquisition of primary issuances/secondary transactions of Equity Shares (as disclosed in point 3 above) in view of the external factors which may have influenced the pricing of the Issue:**

[●]*

* *To be included upon finalisation of the Price Band.*

(e) **The Offer Price is [●] times of the face value of the Equity Shares.**

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of market demand from Bidders for Equity Shares of face value of ₹2 each, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

Bidders should read the above-mentioned information along with the sections titled "*Risk Factors*", "*Our Business*", *"Restated Consolidated Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 29, 209, 278 and 378, respectively, to have a more informed view. The trading price of the Equity Shares of face value of ₹2 each could decline due to the factors mentioned in the section "*Risk Factors*" on page 29 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To
The Board of Directors
Rite Water Solutions (India) Limited
(Formerly known as Rite Water Solutions (India) Private Limited)
CIN: U29100MH2004PLC148812
K-60, MIDC Industrial Area, Hingna Road
Nagpur, Maharashtra, India, 440016

Re: Statement of possible special tax benefits (the "Statement") available to Rite Water Solutions (India) Limited *(Formerly known as Rite Water Solutions (India) Private Limited)* (the "Company") and its shareholders and its Material Subsidiaries

Dear Sirs,

1. We, PKF Sridhar & Santhanam LLP, Chartered Accountants (the "**Firm**"), the statutory auditor of the Company, appointed by the Company in terms of our engagement letter dated January 10, 2025 in relation to the Offer.

2. We hereby report that the enclosed Annexure prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its material subsidiary[2], Clintech Equipments and Solutions Private Limited ("**Material Subsidiary**"), under direct and indirect taxes laws (together "**the Tax Laws**"), presently in force in India as on the date of this report, which are:

   (a) the Income-tax Act, 1961 ("**the Act**"), as amended by the Finance Act, 2024 read with the Income-tax Rules, 1962, i.e. applicable to the Financial Year 2024-25 relevant to the assessment year 2025-26; and

   (b) the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 / relevant State Goods and Services Tax Act ("**SGST**") read with rules, circulars, and notifications ("**GST law**").

3. Provisions included the Finance Bill 2025, as introduced in the Lok Sabha on February 1, 2025 are not considered pending its approval / enactment.

4. These possible special tax benefits are dependent on the Company, its shareholders and its Material Subsidiary, fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiary to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its Material Subsidiary may face in the future and accordingly, the Company, its shareholders and its Material Subsidiary may or may not choose to fulfill.

5. The benefits discussed in the enclosed Annexure cover the possible special tax benefits available to the Company, its shareholders and its Material Subsidiary and do not cover any general tax benefits available to the Company, its shareholders and its Material Subsidiary and are not exhaustive.

6. Further, the preparation of the enclosed Annexure and its contents is the responsibility of the Management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company (the "**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 we are suggesting nor advising the investors to invest money based on the Statement.

7. We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

[2] *Material Subsidiary identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose turnover or net worth in the immediately preceding year (i.e. 31 March 2024) exceeds 10% of the consolidated turnover or consolidated net worth respectively, of the holding company and its subsidiaries in the immediately preceding year.*

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

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

   - the Company, its shareholders, and/or its Material Subsidiary will obtain/ continue to obtain these benefits in future; or

   - the conditions prescribed for availing the benefits have been/ would be met with; or

   - the revenue authorities/ courts will concur with the views expressed herein.

10. The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company and its Material Subsidiary, and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiary. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time.

11. This Statement is issued for the purpose of the Offer, and can be used, in full, for inclusion in the draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer (together, the "**Offer Documents**") which may be filed by the Company with Securities and Exchange Board of India ("**SEBI**"), BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**"), Registrar of Companies, Maharashtra at Mumbai ("**Registrar of Companies)** and / or any other regulatory or statutory authority. 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 certificate is shown or into whose hands it may come, unless determined otherwise by any regulatory or statutory or judicial authority.

12. We also consent to the submission of this certificate to the repository system of Stock Exchanges and the inclusion of this certificate as a part of "*Material Contracts and Documents for Inspection*" in connection with this Offer, which will be available for public for physical inspection at the registered office of the Company as well as online inspection on the website of the Company from date of the filing of the RHP until the Bid/ Offer Closing Date.

13. This Statement is prepared solely for inclusion in the Offer Documents in connection with the initial public offer of equity shares of the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and is not to be used, referred to or distributed for any other purpose.

14. This Statement has not been prepared in connection with, nor is it intended for use in any connection with, any offer or sale of securities in United States of America. We will accept no duty or responsibility to and deny any liability to any party in respect of any use of this letter in connection with an offer or sale of the Securities in United States of America.

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S/S200018

Dhiraj Kumar Birla
Partner
Membership No. 131178
UDIN: 25131178BMLBSK5362

Place: Mumbai
Date: February 9, 2025

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND IT'S SHAREHOLDERS AND ITS MATERIAL SUBSIDIARY UNDER THE APPLICABLE TAX LAWS IN INDIA

The information outlined below sets out the possible tax benefits available to the Company and its shareholders and its Material Subsidiary in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the direct tax laws in force in India (*i.e.,* applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26). Provisions included the Finance Bill 2025, as introduced in the Lok Sabha on February 1, 2025 are not considered pending its approval / enactment. Several of these benefits are dependent on the Company or its shareholders or its Material Subsidiary fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders or its Material Subsidiary to derive the possible tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfil.

1. UNDER THE INCOME TAX ACT, 1961 ("THE ACT")

1.1. BENEFITS TO THE COMPANY AND ITS MATERIAL SUBSIDIARY UNDER THE ACT:

I. Lower corporate tax rate under section 115BAA of the Act

Section 115BAA of the Act, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a corporate tax rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/ deductions/ exemptions or set-off of losses and depreciation provided under clause (ii) and clause (iii) of sub-section (2) of section 115BAA of the Act and claiming depreciation determined in the prescribed manner. In case a company opts for paying tax as per Section 115BAA, provisions of section 115JB, i.e., Minimum Alternate Tax ('MAT') would not be applicable on exercise of the option under section 115BAA, as specified under sub-section (5A) of Section 115JB of the Act, and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented that it intends to opt for section 115BAA for the assessment year 2025-26 onwards. Further, its Material Subsidiary has already opted for section 115BAA.

II. Deduction in respect of inter-corporate dividends – Section 80M of the Act

As per the provisions of Section 80M of the Act, the dividend received by the Company from any other domestic company, or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its Income-tax return for the relevant year. Since the Company has investments in domestic company, it may avail the above-mentioned benefit under Section 80M of the Act

III. Deduction in respect of employment of new employees – Section 80JJAA of the Act

Subject to the fulfilment of prescribed conditions, for the year, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. Further, where the Company wishes to claim possible tax benefit, it shall obtain necessary certification from chartered accountant on fulfilment of the conditions under the extent provisions of the Act.

1.2. BENEFITS TO THE SHAREHOLDERS OF THE COMPANY UNDER THE ACT

I. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.

II. As per Section 112A of the Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 12.50% (without indexation) w.e.f. July 23, 2024 by the Finance (No. 2) Act, 2024 of such capital gains subject to fulfilment of prescribed conditions under the Act as well as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 1 October 2018. It is worthwhile to note that tax shall be levied only where such capital gains exceed INR 1,25,000.

III. As per Section 111A of the Act, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 20% w.e.f. July 23, 2024 by the Finance (No. 2) Act, 2024 subject to fulfilment of prescribed conditions under the Act.

IV. In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

V. Where the gains arising on transfer of shares of the Company are included in the business income of a shareholder and assessable under the head "Profits and Gains from Business or Profession" and such transfer is subjected to STT, then such STT shall be a deductible expense from the business income as per the provisions of section 36(1)(xv) of the Act.

VI. As regards the shareholders that are Mutual Funds, under section 10(23D) of the Act, any income earned by a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorised by the Reserve Bank of India would be exempt from income-tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

VII. Resident as well as non-resident buyers should independently evaluate their obligations to withhold tax on transactions involving sale of shares by the shareholders of the company in light of the provisions of section 194Q/ section 195 and other provisions of the Act.

2. UNDER THE GOODS AND SERVICE TAX ACT, 2017 (GST)

2.1. BENEFITS TO THE COMPANY AND ITS MATERIAL SUBSIDIARY UNDER GST:

There are no special tax benefits currently available to the Company and its Material Subsidiary under the provisions of GST.

2.2. BENEFITS TO THE SHAREHOLDERS OF THE COMPANY UNDER GST:

There are no special tax benefits currently available for the shareholders of the Company under the provisions of GST.

Notes:

(i) This Annexure sets out the special tax benefits available to the Company and its shareholders and its Material Subsidiary under the Income-tax Act, 1961, i.e., the Act as amended by the Finance Act, 2024 applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, Goods and Service Tax Act, 2017 and does not cover any benefit under any other law in force in India. Provisions included the Finance Bill 2025, as introduced in the Lok Sabha on February 1, 2025 are not considered pending its approval / enactment.

(ii) This statement does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company, by the person residing in the country outside India

(iii) In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.

(iv) No assurance is provided 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, up to the date of report. We do not assume responsibility to update the views consequent to such changes. We will not be liable to any other person in respect of this statement.

SECTION V – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

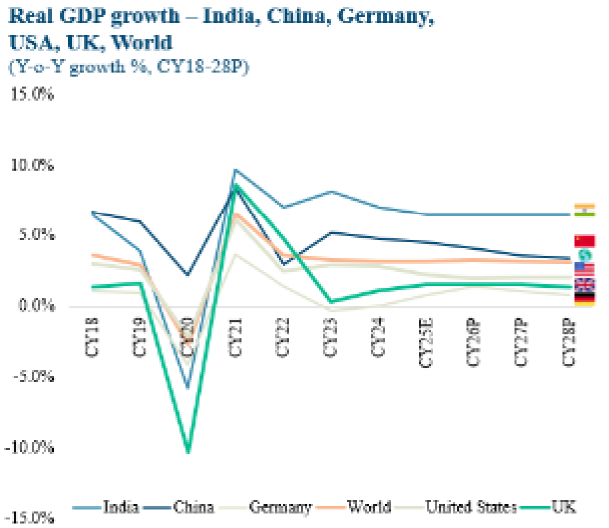
*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Water, Solar Pumps and IoT Industry Report" dated February 7, 2025 (the "**1Lattice Report**") prepared and issued by Lattice Technologies Private Limited, appointed by us pursuant to an engagement letter dated August 28, 2024 and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Offer. The data included herein includes excerpts from the 1Lattice Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the 1Lattice Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. A copy of the 1Lattice Report is available on the website of our Company at www.ritewater.in/investor-relations/IPO.*

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The recipient should not construe any of the contents of the 1Lattice 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 information, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the 1Lattice Report which has been prepared exclusively for the Offer and commissioned by our Company and paid for by our Company exclusively in connection with the Offer, and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 70. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency Of Presentation" on page 15.

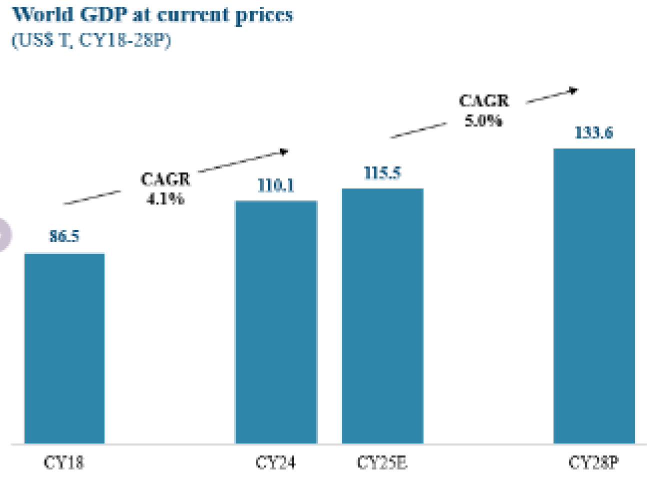
Global Macroeconomic Overview

The real global GDP growth rate was 3.2% in CY24, and this growth rate is expected to be sustained until CY28

Global growth in CY24 remained above 3% despite higher interest rates, tighter financial conditions and geopolitical conflicts, including Russia's war in Ukraine, evolving conflict in the Middle East and turbulent US-China relations with a trend of sanctions ranging from solar cells to computer chips. Global real GDP growth is projected to average 3.2% from CY24 to CY28. In comparison, India is expected to maintain the highest growth rate and expected to grow at 6.5% till CY28.



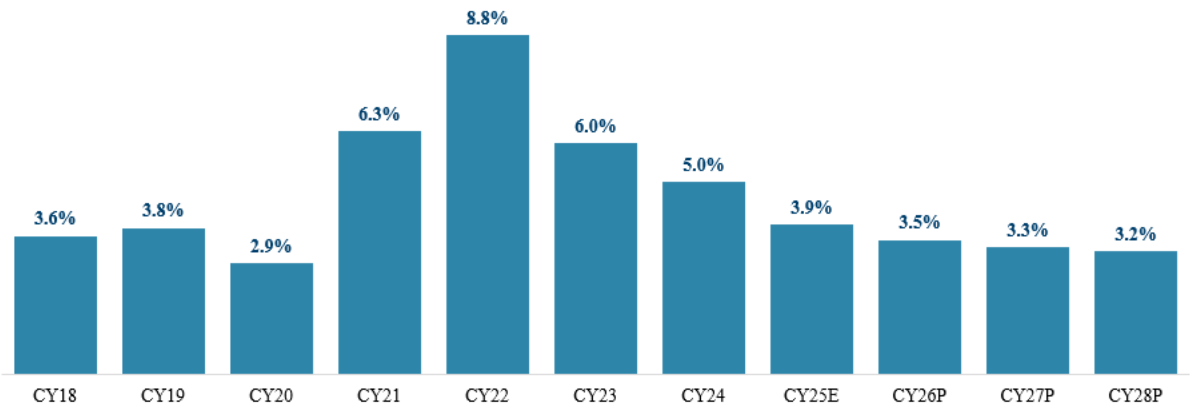
Note(s): In the analysis of global benchmarks, the timeline has been kept as CY and not FY
Source(s): International Monetary Fund, 1Lattice analysis



Global inflation is expected to decrease steadily from 5.0% in CY24 to 3.9% in CY25

Global inflation is predicted to decrease steadily, starting at 5.0% in CY24 and falling to 3.9% in CY25, driven by lower core inflation due to ongoing tight monetary policies, softened labour markets, and the continued impact of reduced energy prices. Decreasing inflation levels helps economies by making it more competitive and attracting more foreign investment and enables businesses and individuals to plan better.

Global inflation at avg. consumer prices
(%, CY18-28P)



Source(s): International Monetary Fund, 1Lattice analysis

Emerging Asia region is expected to have the highest GDP growth rates when compared to other regions

According to the International Monetary Fund (IMF), global GDP growth is expected to be steady in CY25. However, regional variations have resulted in stronger growth rates in certain areas compared to other regions. In comparison, Emerging Asia is expected to maintain the highest growth rate, with its current Y-o-Y growth rate at 5.0% in CY25E. This growth is driven by robust domestic consumption in most ASEAN countries and significant public investments in China and India. Among the countries in Asia, India is expected to grow at the fastest pace, with its growth being primarily driven by factors such as lower inflation, increasing middle class and disposable incomes of the people, and rise in government expenditure on infrastructure.

Real GDP growth – Global economies
(Y-o-Y growth %, CY18-CY28P)

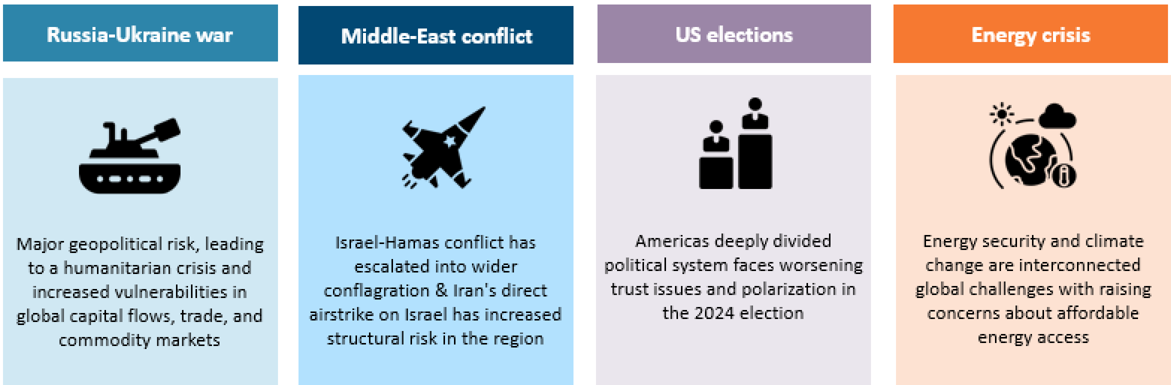
Global economies	CY18	CY19	CY20	CY21	CY22	CY23	CY24	CY25E	CY28P
Major advanced economies (G7*)	2.1%	1.7%	-4.2%	5.8%	2.6%	1.9%	1.7%	1.7%	1.6%
Euro area*	1.8%	1.6%	-6.1%	5.9%	3.3%	0.4%	0.8%	1.2%	1.3%
Emerging Asia*	6.4%	5.3%	-0.5%	7.7%	4.4%	5.7%	5.3%	5.0%	4.5%
Emerging Europe	3.6%	2.5%	-1.8%	7.1%	0.6%	3.3%	3.2%	2.2%	2.5%
Latin America and the Caribbean	1.1%	0.2%	-6.9%	7.4%	4.2%	2.2%	2.1%	2.5%	2.7%
Middle East and Central Asia	2.7%	1.9%	-2.2%	4.4%	5.5%	2.1%	2.4%	3.9%	3.8%
Sub-Saharan Africa	3.3%	3.2%	-1.6%	4.8%	4.1%	3.6%	3.6%	4.2%	4.4%

Note(s): *Euro area consists of advanced Economies like Germany, France, Italy, Spain, Netherlands, etc. *G7 includes Canada, France, Germany, Italy, Japan, USA and UK
*Emerging Asia includes China, India, Indonesia, Malaysia, the Philippines, Thailand, and Vietnam
Source(s): International Monetary Fund, 1Lattice analysis

Key Factors Impacting the Global Business Environment

Geopolitical situation & risks

Factors such as political instability, trade tensions, regional conflicts, and regulatory changes can create uncertainty and challenges for businesses operating internationally. These conditions can affect market access, supply chains, investment decisions, and overall business strategies. Currently, in CY24 geopolitical risks from elections, polarization, and conflicts within and between states have significant economic implications globally and for individual countries.



Government policies & regulations:

Government policies and regulations, including political and legal factors, significantly impact businesses globally. Political decisions, such as changes in tax policies and trade agreements, directly influence operations. The political environment also encompasses government actions in foreign markets, supporting or impeding business activities abroad. The legal environment governs trade agreements, contracts, organizational laws, and more, fostering international relations.

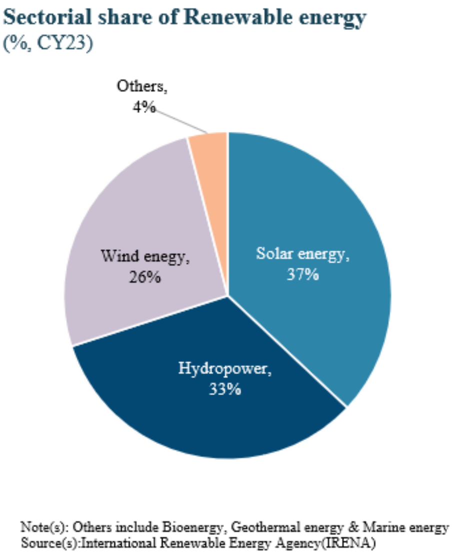
Environmental factors:

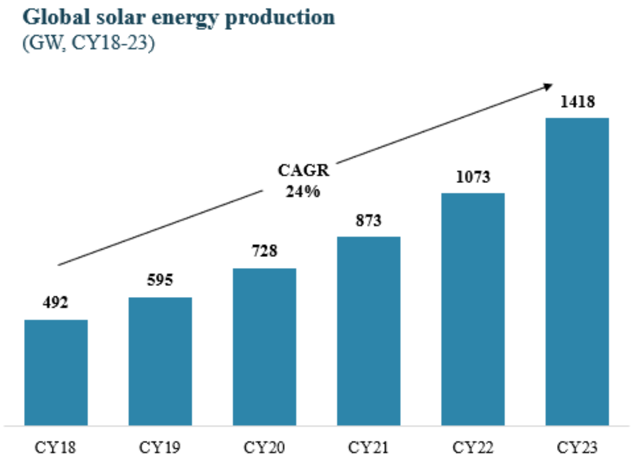
Switching to eco-friendly power sources benefits businesses and the environment. Businesses can save on energy costs, comply with regulations, access new markets, improve brand reputation, and attract green investments. Globally, this transition reduces carbon emissions, pollution, and resource depletion, while preserving biodiversity and enhancing energy security. Overall, it drives sustainable economic growth and environmental protection.

Fossil fuels like coal, oil, and gas, contribute over 75% of global greenhouse gas emissions and nearly 90% of carbon dioxide emissions driving climate change. Shifting to clean, accessible, and sustainable energy sources is crucial to reduce emissions and enhance energy security, fostering sustainable economic growth and environmental protection. This transition benefits businesses as well by cutting energy costs, complying with regulations, enhancing brand reputation, and attracting green investments.

The recent G-20 summit highlighted the need for increased investment, R&D, supportive policies, international cooperation, and public awareness to transform the global energy landscape and combat climate change. Companies are emerging actively with new design, manufacturing capabilities, in solar modules, wind turbines, and solar inverters to promote sustainable energy solutions and expand renewable energy capacity worldwide.

Globally, the top five solar power countries based on installed capacity are China, the USA, Japan, Germany, and India. India has ~218 GW installed renewable energy as of January 2025 and aims for 500 GW of non-fossil fuel energy by CY30, and solar capacity is projected to quadruple to 392 GW. The government supports domestic solar PV manufacturing with INR 14,007 Cr under the Production Linked Incentive Scheme. The National Green Hydrogen Mission targets producing 5M metric tonnes annually by CY30, while the government plans to add 50 GW of renewable energy capacity annually until FY28. Additionally, India launched the Global Biofuels Alliance at the G20 Summit, partnering with countries like the US, Brazil, and the UAE to promote sustainable energy solutions.





According to the International Renewable Energy Agency (IRENA), renewables could supply 65% of the world's electricity by CY50 and create over 30M jobs in clean energy and related industries by CY30. At the end of CY23, the global renewable power capacity reached 3,870 GW. Solar energy held the largest portion of this total, with a capacity of 1,418 GW. Renewable hydropower and wind energy followed, with capacities of 1,268 GW and 1,017 GW, respectively. Global solar energy production has surged from 492 GW in CY18 to 1418 GW in CY23, marking a 24% growth due to growing demand for clean and sustainable energy sources. And in CY23, there was a net increase of 345 GW in global solar energy capacity, with Asia accounting for more than 60% of the new installations.

Technological factors:

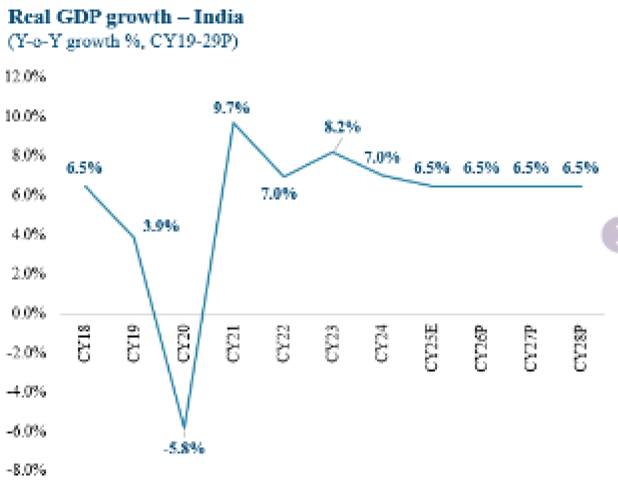
Technological advancements like AI, automation, big data, and IoT are revolutionizing industries worldwide. However, the rise in cyberattacks, both in complexity and frequency, presents substantial challenges to businesses and national security.

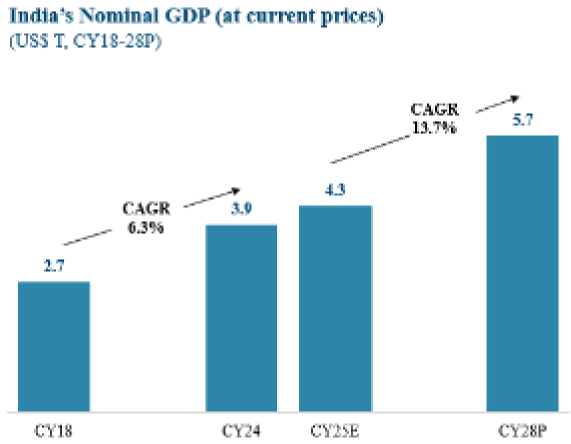
Modern businesses heavily rely on technology for data management, communication, and tailored customer services. For example, the rise of e-commerce and online marketplace platforms have revolutionized global business operations. Understanding technology trends and consumer behaviour is key to developing effective marketing strategies and ensuring business growth in today's dynamic landscape.

Indian Macroeconomic Overview

India's GDP was at US$ 3.9T in CY24 and is estimated to reach US$ 5.7T in CY28

India is the fifth largest economy in the world in CY24 and is expected to be the third largest by CY28, India is expected to reach US$ 7T by CY30 as per government targets. Over the next 10-15 years, India is expected to be among the top economies on the back of rising demand, robust growth in various sectors. India's GDP (at current prices) grew from US$ 2.7T to US$ 3.9T between CY18 and CY24 on the back of robust reforms like GST, corporate tax revision, and revised FDI limits. As per IMF projections, India's real GDP is expected to grow at a rate of 6.5% from CY25 to CY28, making it one of the fastest-growing large economies globally.

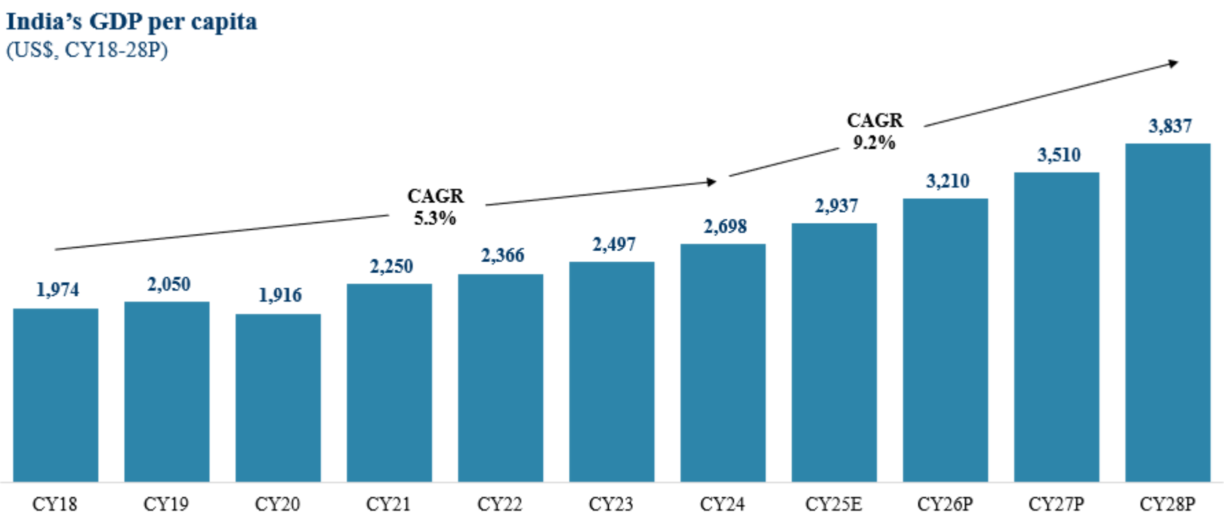




Source(s): International Monetary Fund, 1Lattice analysis

India's per capita income stood at ~US$ 2.7K in CY24 and is expected to reach ~US$ 3.9K by CY28

India's per capita income is expected to rise from US$ 2.5K to ~US$ 3.9K by CY28 growing at a CAGR of 9.2%. With increased demand, substantial per capita income growth, and a demographic advantage, India is positioned as a market with vast growth opportunities.



Source(s): International Monetary Fund, 1Lattice analysis

Over CY24-28, India's GDP per capita is projected to lead with a 9.2% growth rate, driven by strong manufacturing, higher agricultural output, and robust government spending, making it the fastest-growing major economy, followed by China (6.4%), the UK (3.6%), the USA (3.5%), and Germany (3.4%).

Global GDP per capita – Top economies
(US$, CY18-28P)

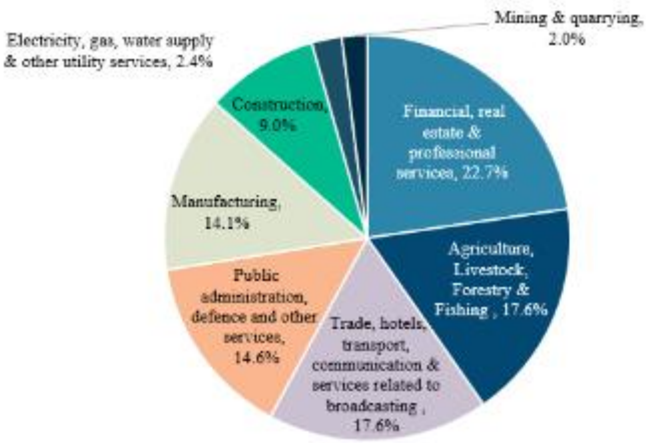
Top economies	CY18	CY24	CY25E	CY28P	CAGR CY18-24	CAGR CY24-28P
India	1,974	2,698	2,937	3,837	5.3%	9.2%
USA	63,165	86,601	89,678	99,468	5.4%	3.5%
Germany	48,897	55,521	57,914	63,569	2.1%	3.4%
UK	43,275	52,423	54,280	60,332	3.2%	3.6%
China	9,849	12,969	13,873	16,617	4.7%	6.4%

Source(s): International Monetary Fund, 1Lattice analysis

As of FY24, financial, real estate, and professional services holds 22.7% of the GVA followed by agriculture, livestock, forestry & fishing at 17.6%

Financial, real estate and professional services hold the highest share of 22.7% in the overall GVA. Agriculture and allied industries contributes to 18% of the GVA share. The industry sector is expected to grow in FY25 given the manufacturing and construction boost.

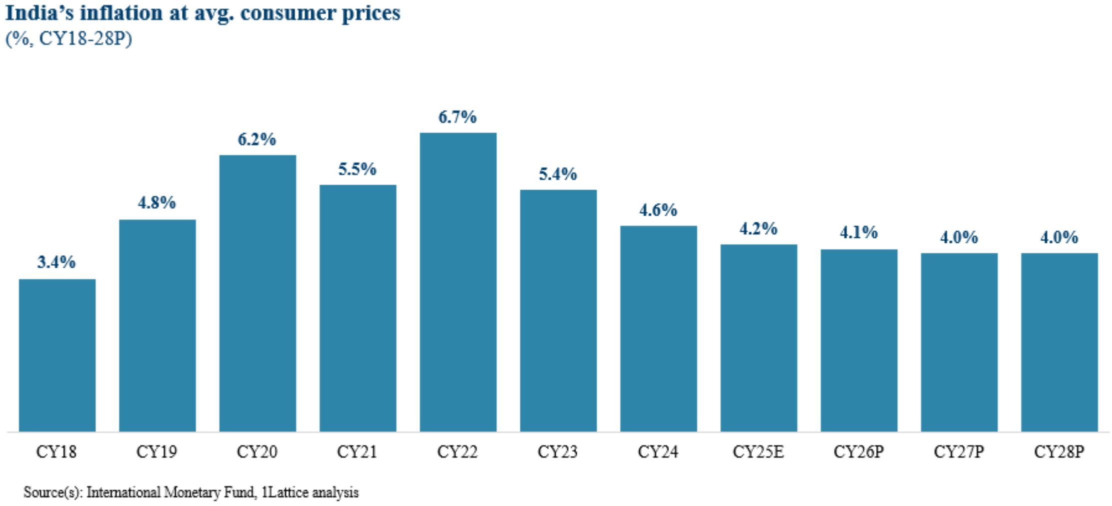
Sectorial share of GVA
(%, FY24)



Source(s): Ministry of Statistics and Programme Implementation (MoSPI), 1Lattice analysis

India’s CPI inflation rate was 4.6% in CY24, and RBI aims to bring it down to around 4% by the end of CY26

According to the IMF, India’s CPI inflation rate was 4.6% in CY24 and is estimated to decline to 4.2% by CY25 due to a decrease in food inflation and favourable base effects from CY23-24 (Russia-Ukraine war). During CY20-23 period, CPI inflation rates have increased due to volatile components like vegetable prices, fuel costs, and commodities such as gold and edible oils. By CY26, the RBI aims to bring the CPI inflation rate to a target of 4%

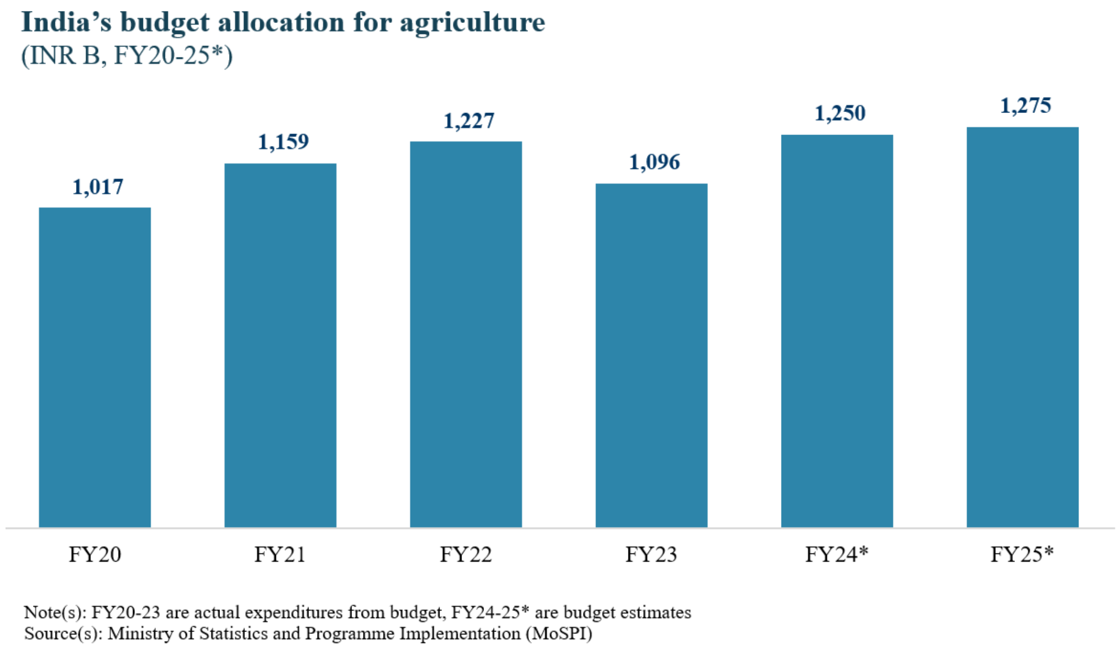


Agriculture is a major employment contribution sector in India

According to the Periodic Labour Force Survey (PLFS) conducted by the National Sample Survey Office (NSSO), Ministry of Statistics and Programme Implementation (MoSPI), approximately 45.76% of India's total workforce was engaged in the agriculture and allied sector during the FY23 period. The transition of the workforce from the primary (agriculture) sector to the secondary and tertiary sectors is a typical aspect of the development process seen in countries worldwide, including India. In FY24, agriculture contributes about 18% of India's Gross Value Added (GVA) to the total economy, with a growth rate of around 4.3% over the last six years.

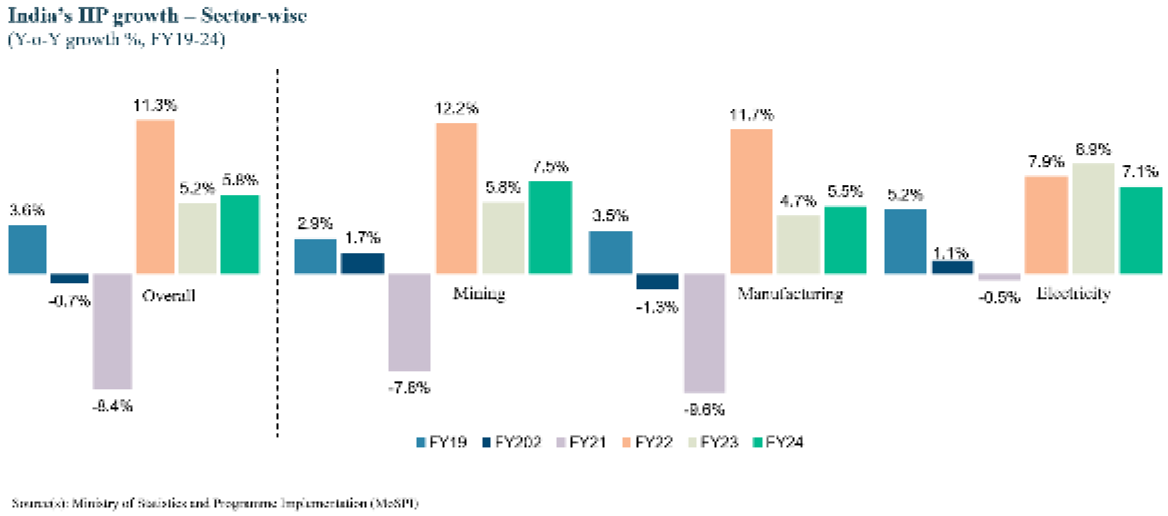
Budget allocation towards agriculture in India

The Indian government has allocated a budget of INR 1,275B for the Ministry of Agriculture in FY25, slightly higher than the current fiscal year's INR 1,250B, marking an overall 2% increase in the budget. FY25 budget is divided into INR 1,170B for the Department of Agriculture, allocation aims to support agricultural growth and productivity by focusing on areas like crop insurance, expanding nano fertilizer coverage, and promoting self-sufficiency in oilseed production. The budget of India allocated INR 10,000 Cr to solar power projects in FY25, which is a 110% increase from the INR 47B allocated in FY24.



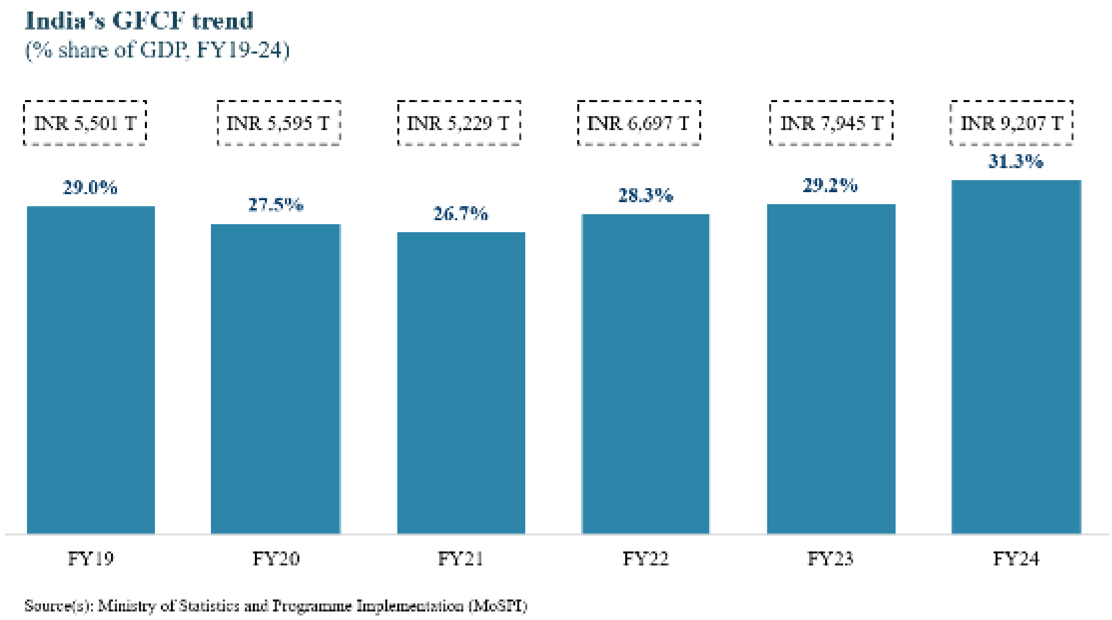
India's Index of Industrial Production (IIP) grew by 5.8% in FY24, up from 5.2% in FY23, showcasing a 0.6% growth

According to the Ministry of Statistics and Programme Implementation, India's Industrial Production (IIP) growth rate had a strong recovery in FY22 (11.3%), observed a 5.2% IIP growth in FY23 and a slight increase to 5.8% in FY24. Overall, the growth has increased from FY19 at 3.6% to 5.8% in FY24, reflecting 2.2% growth. This growth is attributed to rising domestic demand, increased foreign direct investment (FDI), government initiatives like ‘Make in India’, and growth in capital goods and infrastructure/construction sectors. In FY24, mining grew by 7.5%, manufacturing by 5.5%,



Gross Fixed Capital Formation

Gross Fixed Capital Formation represents the total value of investments in tangible assets like machinery, buildings, and infrastructure, minus disposals, during a specific period. A higher GFCF-to-GDP ratio indicates increased investment in productive assets, leading to improved economic performance and competitiveness. This crucial economic indicator reflects the investment level in the economy, signifying growth potential and long-term development.



According to the Ministry of Statistics and Programme Implementation (MoSPI), GFCF as a percentage of GDP increased from 29.2% in FY23 to 31.3% in FY24, reflecting a 2% growth. Overall, GFCF has increased from 29.0% in CY’19 to 31.3% in CY’24, showcasing 1.3% growth. This increase is driven by both government and private sector investments in productive assets, infrastructure development, and capital projects, supported by initiatives like ‘Make in India’, ‘Scheme for Special Assistance to States for Capital Expenditure’, and ‘Scheme for Special Assistance to States for Capital Investment’, etc.

Introduction of climate goals by countries to curtail the rapid climate changes

Climate change is increasing the frequency and intensity of extreme weather events like intense droughts, water scarcity, severe fires, rising sea levels, flooding, melting polar ice, catastrophic storms, and declining biodiversity. Since the 1800s, human activities have been the main driver of climate change, primarily due to burning fossil fuels like coal, oil and gas. Greenhouse gas generated through burning fossil fuels act like a blanket wrapped around the Earth, trapping the sun's heat and raising temperatures. Greenhouse gases like carbon dioxide and methane are mostly causing climate change.

Climate goals/targets are the limits that scientists and policymakers set in plans to combat climate change. These targets take different forms, from goals for limiting the Earth's warming to hard caps on greenhouse gas emissions. The United Nations Framework Convention on Climate Change (UNFCCC), adopted in 1992, is a treaty among governments that provides a foundation for global climate efforts. India, in pursuit of its sustainability goals, requires substantial climate finance, estimating the need for around US$ 170B per year for its climate change actions by CY30.

Clean technologies or clean tech are new technologies and solutions that can help address the impact of climate change. ESG-focused institutional investment is expected to grow by 84% to US$ 33.9T by CY26 globally, making up 21.5% of assets under management. ESG-focused equity funds in India have grown from US$ 330M in December 2019 to US$ 1.3B in June 2023. Major companies in India are making concerted efforts towards sustainability across various fronts. Rite Water is the only clean technology company in India with a diverse offering for rural transformation, focused on water solutions, solar agriculture solutions, and internet of things ("IoT") solutions for energy, agriculture, and water management sectors. Rite Water have firmly rooted Environmental, Social, and Governance principles into their operations for over a decade, making them early adopters of the global ESG shift and transformation. Hindalco Industries, Aditya Birla Group's flagship metal company, is also experimenting with a combination of solar and wind sources to achieve its target of meeting 30% of its energy requirements via renewable sources by CY30. Radiance Renewables, backed by India's largest climate fund Eversource Capital, plans an investment of INR 1,245 Cr over the next three years in the hybrid energy space. NTPC Green Energy Ltd (NGEL) is expanding into solar, wind, and hybrid projects. It operates over 3.4 GW and has 26 GW in the pipeline, with 7 GW under implementation. Renew Power won the bid for developing 600 MW. ACME has built and operated 5,000+ MWp (Megawatt peak) solar power and has 10,000+ MWp under construction. Infosys is adopting clean technology in its operations and client solutions to minimize the impact on the environment.

India's solar power target is to achieve installed energy capacity of 300 GW by CY30, as of FY24 81.8 GW. The Indian government has introduced a Production Linked Incentive Scheme (PLI) for the National Programme on High-Efficiency Solar PV Modules to achieve a manufacturing capacity of Gigawatt (GW) scale in High-Efficiency Solar PV modules. This scheme has an outlay of INR 24,000 Cr to boost domestic manufacturing. Along with this, the government has a Solar Park Scheme that aims to establish 50 Solar Parks of 500 MW and above, with a cumulative capacity of approximately 38 GW by CY25-26.

The M-SIPS program aims to increase investment in electronics manufacturing by providing up to a 25% capital subsidy for new or expanded projects, with investments ranging from INR 1Cr- INR 5,000Cr. NEGL signed an MoU with Government of Maharashtra for development of Green Hydrogen and derivatives of ~ 1M Ton capacity/annum. This includes Pump Hydro Projects of 2 GW and development of RE projects with or without storage up to 5 GW in the state.

Kyoto Protocol in 1997

The Kyoto Protocol, adopted in 1997, aimed to reduce greenhouse gas emissions and mitigate global warming. The Kyoto Protocol was adopted under UNFCCC by 41 countries and European Union. It established mechanisms like emissions trading, clean development mechanisms, and joint implementation to help countries meet their targets cost-effectively.

The Kyoto Protocol only legally bound developed countries to reduce emissions, while developing countries were exempt from emission reduction targets. The protocol's overall impact on global emissions was modest, as major emitters did not ratify it, and developing countries were not required to reduce emissions.

Paris Agreement 2015

The Paris Agreement, adopted in CY15, is a legally binding international treaty on climate change. It aims to limit global warming to below 2°C, preferably 1.5°C, compared to pre-industrial levels. It requires all countries to set emissions reduction targets and strengthen them over time.

The Paris Agreement involves all countries, both developed and developing, in setting and achieving emission reduction targets, addressing the issue of limited participation in the Kyoto Protocol. Countries can determine their own contributions (Nationally Determined Contributions, NDCs) based on their national circumstances, providing flexibility but also requiring regular updates and increased ambition over time. It provides a framework for financial, technical, and capacity-building support to those countries who need it. With the Paris Agreement, countries established an enhanced transparency framework (ETF) within which countries will report transparently on actions taken and progress in climate change mitigation, adaptation measures and support provided or received.

Implication of climate goals on India

Under the Kyoto Protocol, India was not required to meet any binding emission reduction targets as it was classified as a developing country. This allowed India to continue its economic growth without immediate constraints on emissions or carbon goals. India still benefitted from the transfer of technology and additional foreign investments into renewable energy, energy generation and efficiency promotion when the Kyoto Protocol came into force.

Unlike the Kyoto Protocol, the Paris Agreement required all countries, including India, to take climate action and report on their progress, putting more pressure on India to control its rapidly growing emissions. To meet its Nationally Determined Contribution targets, India needed to strengthen its climate policies, promote renewable energy, improve energy efficiency, and implement other mitigation measures.

India’s action plan to stay in line with Paris agreement

- **Nationally Determined Contributions (NDCs)**: India has set targets to reduce the emission intensity of its GDP by 45% by CY30 from CY05 levels and achieving 50% of its installed electricity capacity from non-fossil fuel sources by CY30.

- **Renewable energy push**: India has an ambitious target of installing 500 GW of renewable energy capacity by CY30, with current capacity at 218 GW (January’25). Achieving this requires an investment of ~INR 9,245Cr, in addition to the ongoing transmission network strengthening initiatives by the Central Electricity Authority (CEA).

- **Net Zero emissions**: India will achieve its target of Net Zero by CY70. For achieving the same, Net Zero target by CY30 by Indian Railways alone will lead to a reduction of emissions by 60M tonnes annually. Similarly, India’s massive LED bulb campaign is reducing emissions by 40M tonnes annually. Global energy sector investment (currently at US$ 2T) falls far short of the required US$ 5-7T for net-zero GHG emissions by 2030.

- **National Clean Air Programme**: India launched the National Clean Air Programme in CY19 to tackle air pollution across the country, which is expected to curb greenhouse gas emissions as well. To facilitate this, the Ministry of Environment, Forest, and Climate Change has allocated INR 10.4K Cr.

- **International Solar Alliance**: India has taken a leadership role in promoting the International Solar Alliance, a coalition of countries dedicated to increasing the deployment of solar energy worldwide. The Export Import Bank of India (EXIM Bank) has committed to provide financing for solar projects worth US$ 1.4B.

- **National Wind-Solar Hybrid Policy 2018**: Framework for the promotion of large grid-connected wind-solar photovoltaic (PV) hybrid systems for optimal and efficient utilization of wind and solar resources, transmission infrastructure and land.

- India will create an additional carbon sink of 2.5 to 3B tonnes of CO2 equivalent through additional forest and tree cover by CY30.

- India plans to bring down the carbon intensity of the economy to less than 45%.

While India is indeed implementing some actions to achieve its goals, for instance, India has one of the most rapidly developing renewable energy sectors in the world, but the Climate Action Tracker, which tracks the climate actions of 40 countries and their impacts, rates India’s overall climate action as “highly insufficient” indicating that India’s action needs to be more robust.

Adoption of solar energy-based irrigation and rooftop electricity generation will help reduce carbon footprint & achieve climate goals

India has almost 1.75 M Sq. km of arable land which is the highest in the world. Majority of the land in India is irrigated using groundwater pumps, which are majorly connected to the grid or diesel based. Solarization of irrigation is the use of solar energy to power irrigation pumps and drip irrigation systems will help government in achieving the climate goals along with ensuring easy accessibility and cost-effective alternatives to farmers. On similar lines, government has launched PM-KUSUM scheme to solarize irrigation with target to achieve solar power capacity addition of 34.8 GW by end of FY26 with total central financial support of INR 34.4K Cr

Advantages of solarization of irrigation and rooftops	
Reduced effect of greenhouse gases	• Solar-powered irrigation and rooftop systems helps reducing greenhouse gas emissions as they don't rely on fossil fuels
Reduced carbon emissions	• Through solarized irrigation and rooftop, India can achieve reduction in carbon emissions by 32 million tonnes
Increased accessibility	• Solar pumps and rooftops are beneficial for the remote areas in the country help improve easy access and same time reduce the power outage
Easing government's financial burden	• Adoption of solar powered irrigation helps reduce electricity subsidy for agriculture of INR 1L Cr+ and reduces oil import by 1.38 billion liters per annum
Cost-effective	• Solar pumps and rooftop solar are cost-effective over life-time with lower operating costs
Long operating life	• Solar water pumps offer long operating life due to their minimal moving parts and reliance on renewable solar energy
Flexible harnessing of water	• Solar pump systems enable round-the-clock water harnessing, allowing farmers to efficiently plan irrigation and other activities without being constrained by power supply availability
Curbing transmission & distribution losses	• Reduction in transmission & distribution losses by up to 20% with solarization of pumps and rooftops

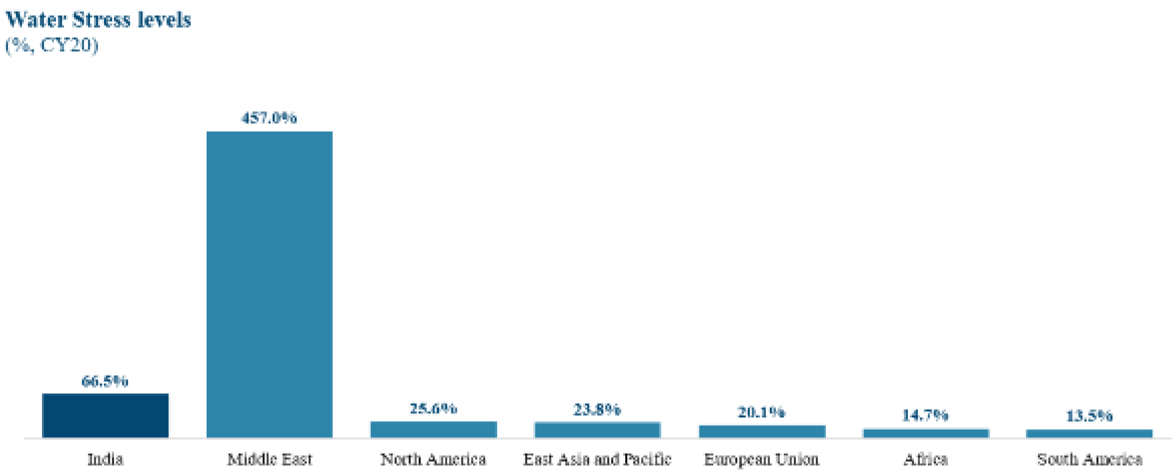
Solar power generation is emission-free, helping lower greenhouse gas emissions, improve air quality, and contribute to India's renewable energy goals. Solar rooftops can significantly reduce electricity bills by up to 50%, it is an economically viable and safe option for communities without reliable grid access, these systems have a long lifespan of over 25 years, require minimal maintenance, and have no moving parts.

Water scenario in India

Key water statistics and resource analysis

India faces a significant water stress level of 66.5% as of CY20, indicating severe challenges in water availability and management

Global water stress levels are measured based on freshwater that is being withdrawn by all economic activities, compared to the total renewable freshwater resources available. The Middle East and North African countries exhibit critically high-water stress, with withdrawal rates exceeding 100%, indicating unsustainable extraction or significant desalination reliance. Conversely, Northern Europe, Canada, much of Latin America, Sub-Saharan Africa, and Oceania experience low to medium water stress. India, with 18% of the world's population but only 4% of its water resources, is a high water-stressed nation. India is placed thirteenth among the world's 17 'extremely water-stressed' countries. A significant portion of its population faces high to extreme water stress, aggravated by erratic monsoon patterns and climate change, which intensifies floods and droughts.



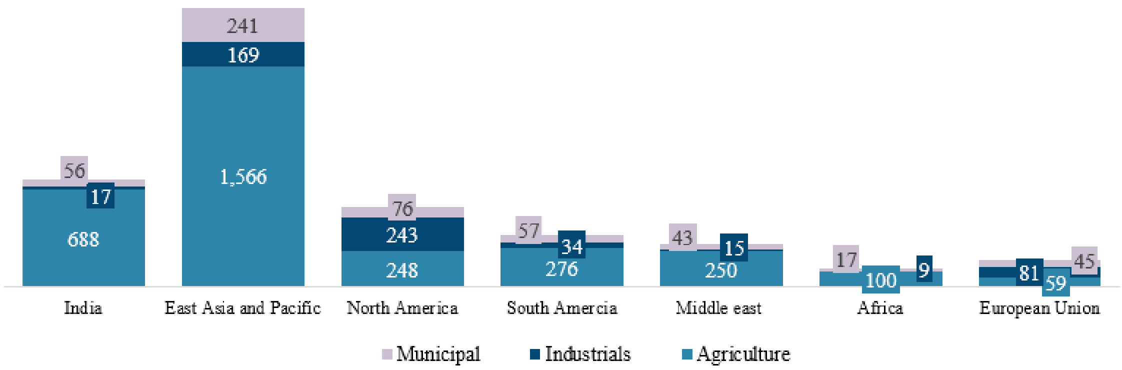
Note: CY20 is the latest published and credible dataset available for water stress levels
Source(s): Food and Agriculture Organization, AQUASTAT database, 1Lattice analysis

In India, agriculture accounts for approximately 70% of groundwater withdrawals, essential for mitigating losses during droughts, which are expected to worsen with climate change. Both industrial and agricultural activities contribute to water contamination, with untreated industrial effluents polluting water sources. Currently, 70% of India's sewage remains untreated, and daily disposal of human waste into the rivers and its tributaries exacerbates pollution. Critical groundwater depletion has been reported in parts of the Indo-Gangetic basin causing significant water stress, with severe shortages anticipated in the northwestern region by CY25. Additionally, groundwater uranium levels in twelve Indian states exceed permissible limits. To combat these issues, the central government and states are implementing the Jal Jeevan Mission (JJM) to provide safe tap water to every rural household by CY24.

The agricultural sector is the largest user of water resources in India, highlighting the need for effective management to ensure sustainable use

Due to extensive geographical and income level differences, low-income countries generally use a higher proportion of their water for agriculture compared to high-income countries, resulting in water availability for industrial use being low. In several countries across South Asia, Africa, and Latin America, ~80% of water withdrawals are used for agriculture. East Asian countries demonstrate the highest agricultural water use, with a total of 1,566B m^3, and India alone accounts for 688B m^3 in CY20.

Sectoral water withdrawal
(B m^3/year, CY20)



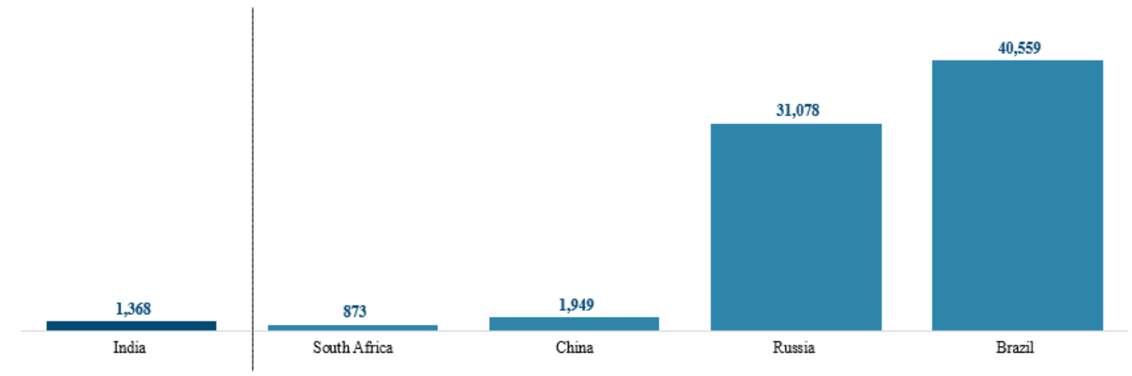
Note: CY20 is the latest published and credible dataset available for sectoral water withdrawal
Source(s): Food and Agriculture Organization, AQUASTAT database, 1Lattice analysis

Indian agriculture remains heavily reliant on conventional, inefficient crop production methods. Consequently, > 60% of the water used for irrigation is consumed by sugarcane and paddy, creating significant pressure on the water cycle. Consequently, there is an urgent need to adopt sustainable water management practices in irrigation. This distribution of water usage has remained relatively stable over the past decade across these sectors. As the economy grows, the demand for domestic water is expected to rise, reflecting trends in populous countries like India, China, and the United States, which already have some of the highest domestic water demands globally.

Evolution of per capita water availability in India

The per capita water availability reflects a significant variation among nations where Brazil exhibits the highest per capita water availability at 40,559 m^3 annually, followed by Russia with 31,078 m^3. China shows a lower per capita availability of 1,949 m^3, while India and South Africa face even more constrained water resources, with 1,368 and 873 m^3 respectively.

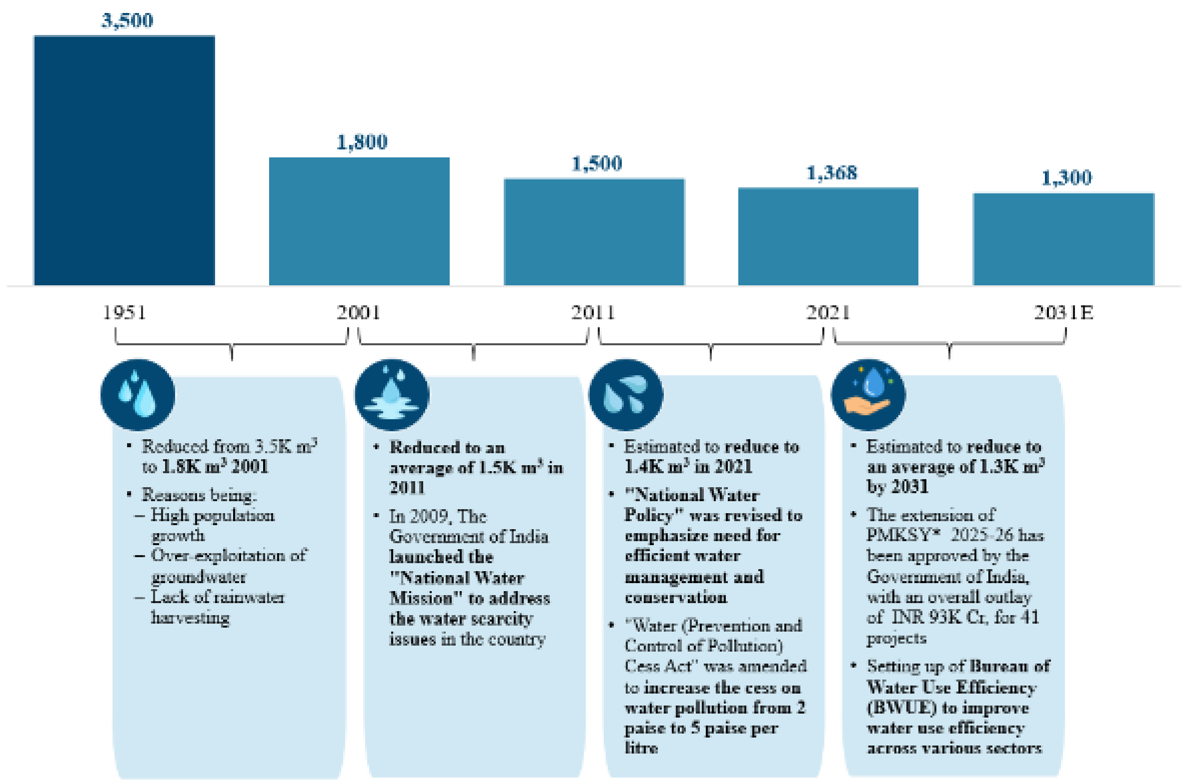
Per capita water availability in India and other developing economies
(m^3/year, CY20)



Source(s): Food and Agriculture Organization, AQUASTAT database, 1Lattice analysis
Note: CY20 is the latest published and credible dataset available for per capita availability

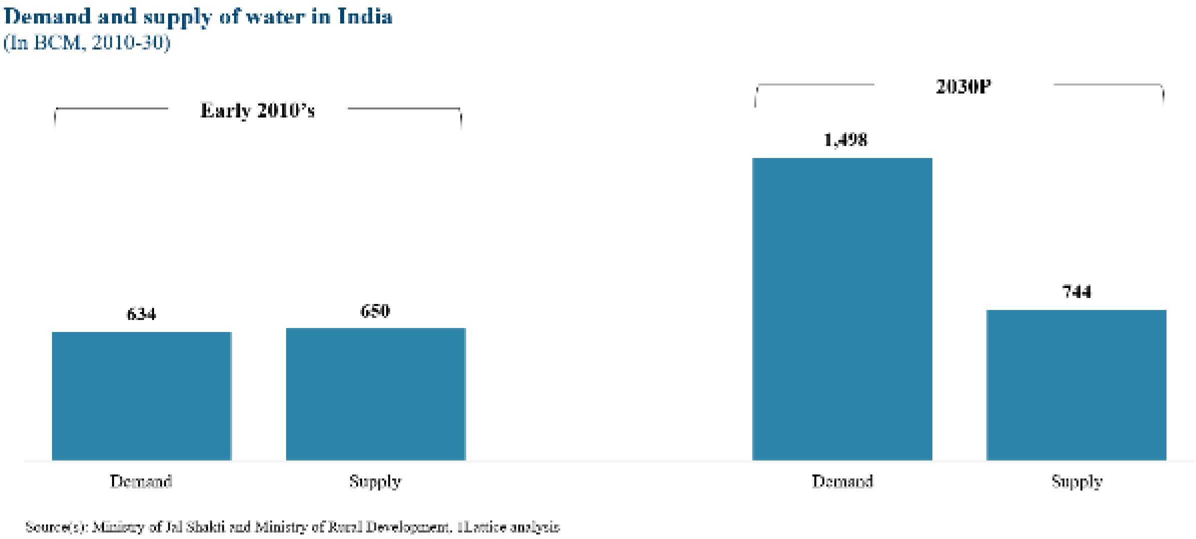
Water availability for any region or country depends on hydro-meteorological and geological conditions, but per capita water availability is influenced by population size. In India, per capita water availability is currently around 1,350 m^3, with levels below 1,700 m^3 classified as water-stressed and below 1,000 m^3 as water-scarce. The growing population and rising water consumption is contributing to a decline in per capita water resources. While states are responsible for managing water resources, the Central Government provides support through technical and financial assistance.

Evolution of per capita water availability in India
(m^3, 1951-2031E)



Note(s): *PMKSY - Pradhan Mantri Krishi Sinchayee Yojana
Source(s):PIB, Industry articles, 1Lattice analysis

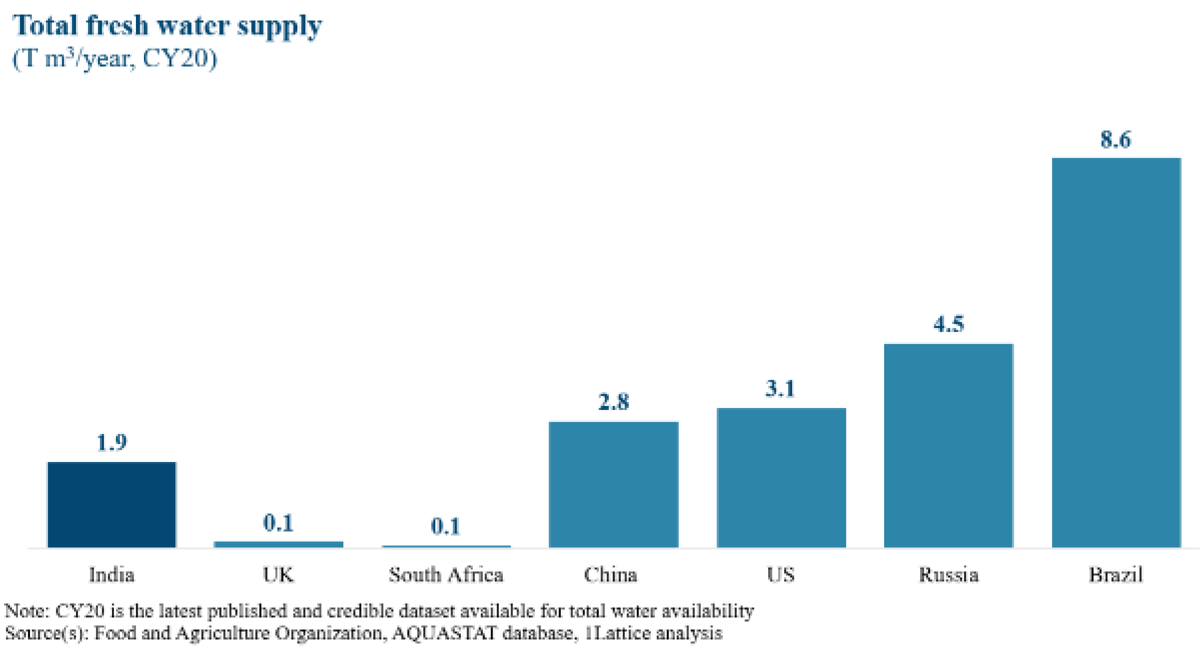
India's Water demand is skyrocketing at an unprecedent pace, creating a stark contrast with the far cry of sluggish growth in supply



India is facing an alarming water crisis, with demand projected to significantly outstrip supply by 2030. In the early 2010s, demand and supply were relatively balanced, with 634 BCM of demand against 650 BCM of supply. However, rapid urbanization, industrial growth, and agricultural needs are driving demand to unprecedented levels, expected to reach 1,498 BCM by 2030. Meanwhile, supply growth is lagging, projected to increase to only 744 BCM. This mismatch suggests that nearly 50% of India's water needs will go unmet, placing immense pressure on the country's economic growth, food security, and public health. The sluggish growth in supply is a result of inefficient water management practices, depleting groundwater, and pollution of available freshwater resources. Without urgent interventions, including sustainable water policies, technological advancements, and conservation efforts, India could face widespread water shortages, exacerbating socio-economic inequalities and hampering long-term development.

India's need to increase efforts to improve freshwater access and enhance wastewater management to pave the way towards alleviating its water scarcity challenges

In CY20, Brazil accounted for the largest share of global freshwater resources with an annual supply of 8.6T m^3, followed by Russia at 4.5T m^3 and the United States at 3.1T m^3. China reported a freshwater supply of 2.8T m^3, while India, despite its large population, had only 1.9T m^3 per year. The UK and South Africa had the lowest freshwater availability, both at 0.1T m^3. These underscore the imbalance in freshwater distribution across countries, with Brazil alone holding a substantial portion of global freshwater reserves.



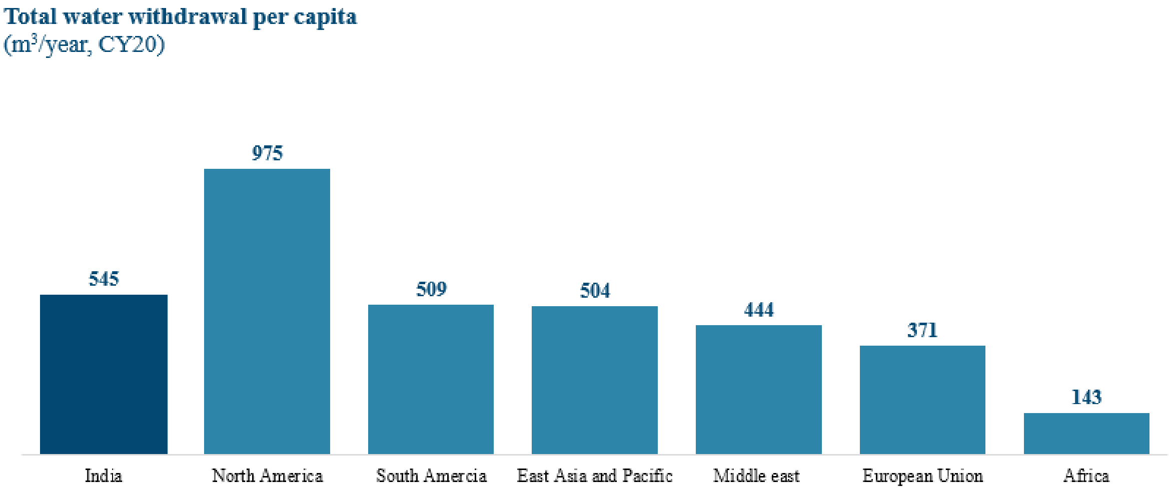
India, which is home to 17% of the world's population, has only 4% of the world's freshwater resources and nearly 70% of India's water is contaminated. The housing ministry reports that India receives about 4,080B m^3 of fresh water annually. Despite a total water resource of approximately 1.9T m^3 that has remained stable over the years, only 60% of this water is effectively usable. As a result, India's total usable water resources amount to 1,128B m^3, with 690B m^3 from surface water and 438B m^3 from groundwater, accounting for roughly 61% and 39% of the total availability, respectively.

Rural areas of the nation face a deepening water crisis, primarily due to their heavy reliance on groundwater as the main source of water for daily use. Open defecation and improper disposal of human waste continue to pollute water sources, leading to the spread of waterborne diseases such as cholera, typhoid, and diarrhoea. Agricultural runoff, industrial waste, and poor waste management practices have severely contaminated groundwater, which is already tainted with harmful chemicals like arsenic, fluoride, iron, nitrates, and heavy metals. With limited access to alternative water sources, this contamination poses a serious health risk to rural communities. The lack of proper sanitation infrastructure exacerbates the issue.

India faces severe water scarcity. Wastewater mismanagement, including both municipal and industrial liquid waste, leads to groundwater contamination and deteriorates sanitation conditions. However, this scarcity can be alleviated through effective wastewater treatment at both municipal and industrial levels with opportunities in these markets rapidly expanding.

India's per capita water consumption was 545 m^3 in CY20, highlighting an opportunity to advance water treatment solutions in response to the growing population

Water usage varies significantly across India. The average annual water withdrawal per capita reflects the quantity of freshwater extracted from groundwater or surface sources, such as lakes and rivers, for agricultural, industrial, or domestic purposes.



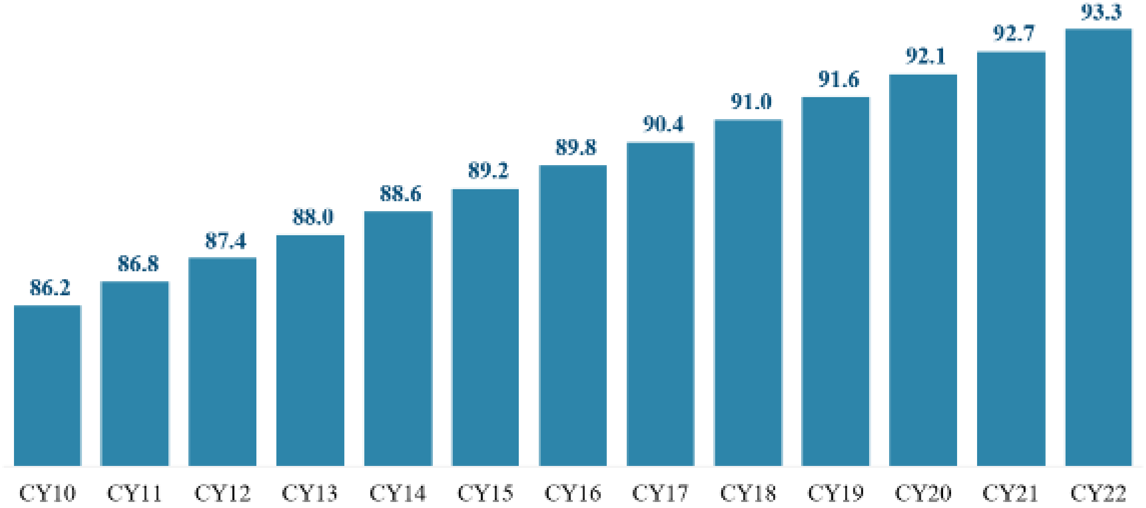
Note: CY20 is the latest published and credible dataset available for per capita water withdrawal
Source(s): Food and Agriculture Organization, AQUASTAT database, 1Lattice analysis

India's per capita water consumption stands at 545 m^3 in CY20, and the primary pressure on its freshwater resources stems from the country's growing population. Over the past century, the global population has increased 4.4 times, while water withdrawal has increased 7.3 times, implying water withdrawal has grown 1.7 times faster than the population. North American countries have the highest per capita water consumption at 975 m^3 per year, whereas Africa has the lowest at 143 m^3 annually. While global access to clean water has improved over recent decades, population growth and climate change pose significant threats to exacerbate water scarcity. This can be addressed through effective water treatment which helps in gaining better access to clean water.

Despite 95% of households now having access to safe drinking water, India faces a severe water contamination crisis, with over 0.19M communities affected by poor water quality

Water contamination is a severe issue in India, with 195,813 communities reported to have poor water quality, posing significant health risks. India's pollution level led to over 2.3M premature deaths in CY19, with more than half a million attributed to water pollution alone. Contaminated water and poor sanitation are linked to transmission of diseases such as cholera, diarrhoea, dysentery, hepatitis A, typhoid and polio. Absent, inadequate, or inappropriately managed water and sanitation services expose individuals to preventable health risks. Many areas suffer from inadequate infrastructure for water supply and treatment, resulting in unreliable access to clean drinking water. Socio-economic factors also play a significant role, with marginalized communities, including Scheduled Castes (SC) and Scheduled Tribes (ST), experiencing severe disparities in water access.

Access to clean drinking water in India
(%, CY10-22)

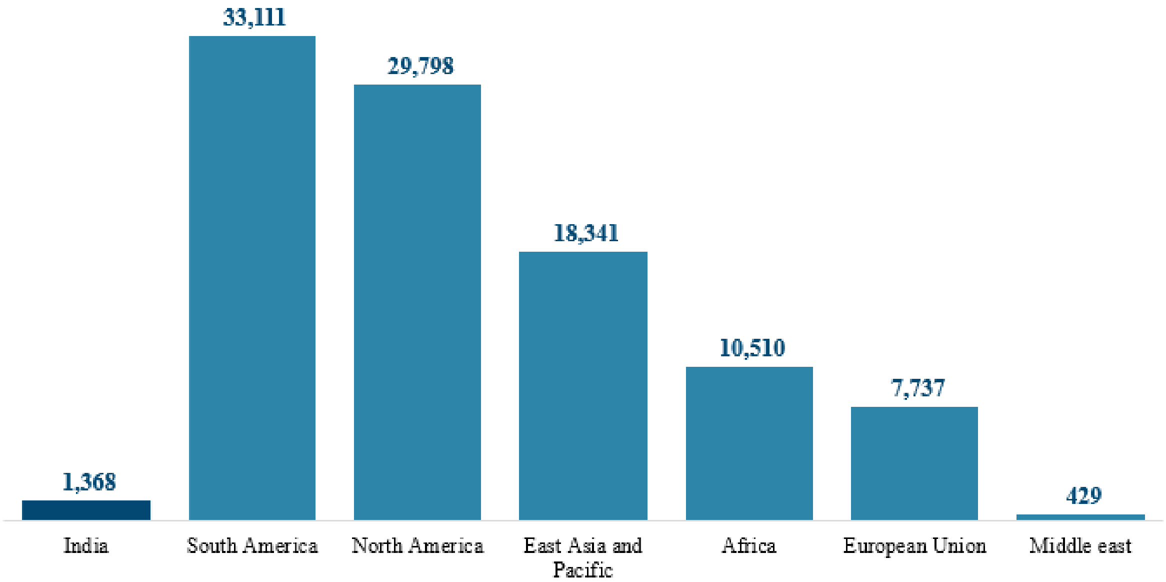


Note: CY22 is the latest published and credible dataset available for per capita water availability
Source(s): Food and Agriculture Organization, AQUASTAT database, 1Lattice analysis

Access to water has evolved to include considerations of water quality. In India, nearly 95% of households now have access to basic drinking water, a rate that exceeds the global average. Access is more prevalent in urban areas than in rural ones. As of FY24, 75% of the rural population had access to safe and adequate drinking water within their premises through piped water systems, up from less than 40% in FY16. Additionally, by May 31, CY22, the Department of Drinking Water and Sanitation reported that 50% of rural households had a tap connection within their dwelling or premises.

India's per capita water availability has reduced to 1,368 m³, classifying it as water-stressed and highlighting the urgent need to address rising water demand

Total renewable water resources per capita
(m^3/year, CY20)



Note: CY20 is the latest published and credible dataset available for per capita water availability
Source(s): Food and Agriculture Organization, AQUASTAT database, 1Lattice analysis

To maintain sustainable water resources, withdrawals must be below freshwater replenishment rates. Renewable internal freshwater flows, comprising internal river flows and groundwater from rainfall, are crucial indicators of water security. Per capita renewable freshwater resources depend on the total renewable flows and population size. According to international standards, a per capita availability below 1,700 m^3 is considered water-stressed, while availability under 1,000 m^3 indicates water scarcity. Over the past 50 years, per capita water availability in India has declined. As a developing nation with a population surpassing 1.3B (~ 17.1% of the global population) India's water demand is expected to increase.

According to Aquastat, India's per capita water availability was ~1.3K m^3 in CY20. This rising demand is driven by economic growth, population expansion, rapid urbanization, and shifts in food consumption, lifestyle, and land use. With a current per capita water availability of 1,545 m^3, India is classified as water-stressed by international standards.

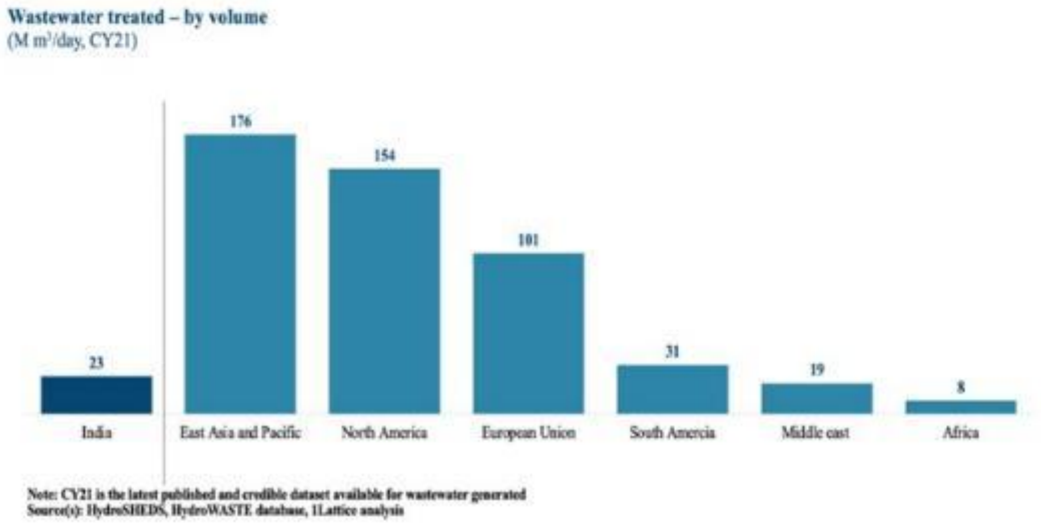
India treats just 28% of urban wastewater, leaving a significant contamination risk

In 2020-21, urban areas in India generated 72,368M litres per day of sewage. However, the installed sewage treatment capacity stands at 31,841M litres per day, with only 26,869M litres per day operational—well below the volume of sewage generated. Currently, only 28% of the generated wastewater (20,236 MLD) is treated, leaving 72% untreated and often disposed of in rivers, lakes, and aquifers, leading to water contamination. This highlights a significant gap in wastewater management, underscoring the need for improved treatment technologies and practices. Wastewater should be viewed as a valuable resource for recycling water and extracting energy and nutrients. Addressing this gap requires overcoming challenges such as limited land for new treatment facilities, incomplete mapping of sewage systems, leakage issues, inadequate data, and the lack of advanced technologies. Enhanced wastewater treatment and reuse are essential for improving urban sanitation and achieving water security, in line with Goal 6 of the Sustainable Development Goals.

India's wastewater treatment plants treat only 32% of its daily wastewater, highlighting a critical need for expanded treatment capacity

From the total wastewater treated in CY20, 56% of global household wastewater was safely treated; however, significant regional disparities exist, with safe treatment rates varying from 25% to 80% by SDG region (Sustainable Development Goals regions divided into - Sub-Saharan Africa, Northern Africa and Western Asia, Central and Southern Asia, Eastern and South-Eastern Asia, Latin America and the Caribbean, Oceania, Europe and Northern America), highlighting uneven progress worldwide.

We see the highest treatment done in East Asian countries (176M m^3 /day) with India treating 23M m^3 daily. India generates 72.4M m^3 of wastewater per day across all provinces, indicating that only ~32% of the wastewater generated is treated. This significant gap highlights the urgent need to both expand treatment capacity and enhance the efficiency of existing technologies. In developed regions such as North America and Europe, industrial water use is significantly higher, at 50%, compared to 4-12% in developing regions.



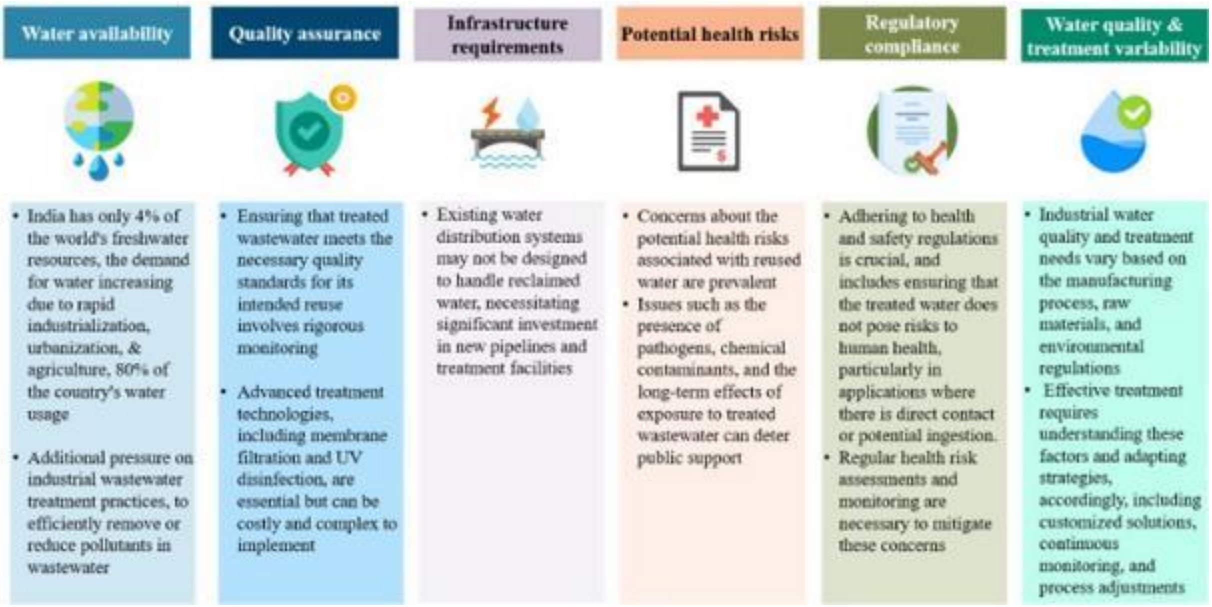
As of FY23, India operates 1,631 water and wastewater treatment plants with a combined capacity to treat 23M m^3 of wastewater daily. According to the Central Pollution Control Board (CPCB), Indian sewage treatment plants handle just over one-third of the daily wastewater produced. Five states and Union Territories—Maharashtra, Gujarat, Uttar Pradesh, Delhi, and Karnataka—account for 60% of the total installed sewage treatment capacity. India has the potential to treat and reuse up to 80% of its wastewater for non-potable purposes, which could enhance water security and sustainably increase revenue across various sectors. The government has implemented stringent regulations to ensure that wastewater is treated in compliance with national and local discharge standards before being released, reinforcing the commitment to safe and effective water management.

Municipal wastewater has significant potential for water reuse across various sectors, and its applications are expanding to meet increasing demand

Water is essential for nearly all manufacturing and production processes globally, with industrial applications such as cooling in power plants and mixing with concrete seeing rising demand. Agriculture continues to rely heavily on wastewater for irrigation, while urban use for tasks like street cleaning and water body replenishment is growing. The production of safe, high-quality drinking water from recycled wastewater is also gaining traction. In 2020, India's total water withdrawal was 761 m³, with agriculture (~90%), municipalities (~7%), and industries (~3%) reflecting a rising demand for water and wastewater management, driven by growth in various industries.

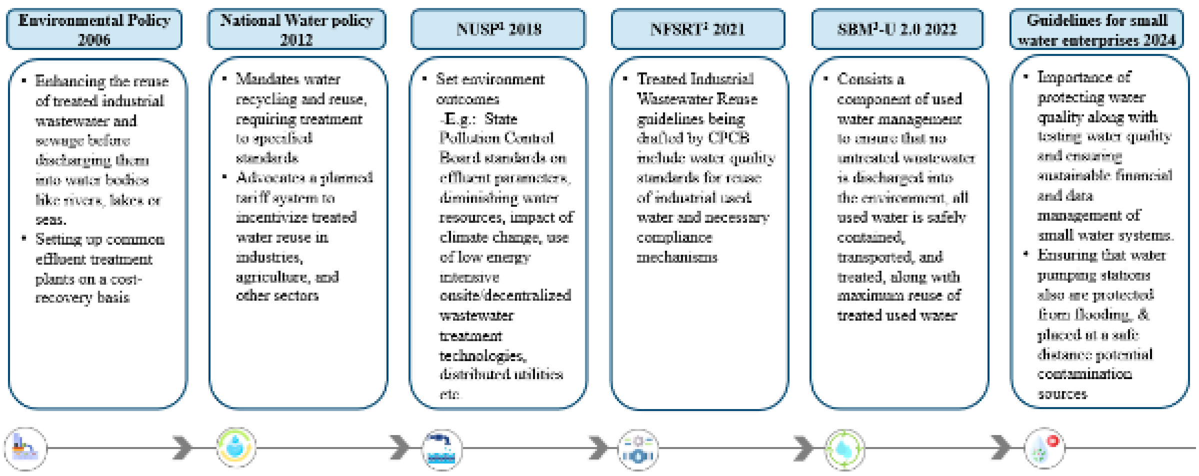
Major challenges faced is the availability of water, ensuring good quality of water and meeting regulatory compliance on the treatment of water

The major challenges in the water treatment sector include securing a reliable supply of water, ensuring its quality, and meeting stringent regulatory compliance requirements. Water scarcity poses a significant issue, affecting both the availability and accessibility of clean water for treatment processes. Additionally, maintaining high water quality is crucial, as contaminants can compromise the efficacy of treatment systems and endanger public health. Meeting regulatory standards is also challenging, as regulations frequently evolve to address emerging environmental concerns and safety standards. Compliance with these regulations requires ongoing investment in advanced technologies and rigorous monitoring, adding to the operational complexities faced by water treatment facilities. Untreated wastewater remains a significant issue, with insufficient infrastructure leading to pollution and health risks. Inadequate water treatment capacity exacerbates the problem, leading to inefficiencies and environmental impacts. The high cost of building and maintaining water treatment facilities further strains resources.



Evolution of water policies / regulations

Water management in India is primarily a state responsibility, with the Central Government playing a supportive role by providing technical and financial assistance. Recognizing the critical importance of water conservation, the Government of India has made it a top priority. Various governmental agencies have actively engaged in water resource management, beginning with the introduction of the first National Water Policy in 1987. This policy has undergone several amendments to promote the optimal use of water resources and reduce environmental impact. The policy's objectives include ensuring water security, equitable distribution, and efficient usage. It also highlights the importance of integrated water resources management, community participation, and the promotion of traditional water systems



Note(s): 1- National Urban Sanitation Policy,2-National Framework on the Safe Reuse of Treated Water, 3- Swachh Bharat Mission-Urban
Source(s): Government websites, Secondary Research, 1Lattice analysis

Water policies in India have evolved significantly over the decades, initially focusing on enhancing agricultural productivity through improved irrigation and water management. Investments during the pre-Independence era and the 1970s aimed to increase irrigation and power generation, striving for food security. The Green Revolution in the 1970s, with its high-yield crops and modern farming techniques, significantly increased the demand for water due to their intensive nature. The 1970s-1990s saw rapid urbanization and industrialization, which exacerbated water scarcity as the over-exploitation of resources became a pressing issue. The National Water Policy of 1987 emerged to address these challenges by advocating for integrated water resource management, conservation, and equitable distribution.

As the 1990s progressed, economic reforms introduced market-driven approaches to water management, focusing on efficiency but often overlooking equitable access. By the early 2000s, policies began adopting a river basin approach to interconnect and manage water resources sustainably. The National Water Mission of 2008 underscored the importance of sustainable management and conservation in light of climate change. In recent years, climate resilience has become central to water policy, with an emphasis on adapting to changing weather patterns and extreme events. The National Water Mission (2011) continues to guide policy with a focus on water conservation, rainwater harvesting, and improving efficiency, reflecting a commitment to long-term sustainability in water resource management. In 2024, for the first time in nearly 30 years, the World Health Organization (WHO) has released updated guidelines for drinking water quality, specifically targeting small water supplies. These guidelines focus on building resilient systems that ensure safe drinking water, addressing the long-standing issues of competence and capacity in small water systems. By prioritizing technically simple and affordable solutions, the WHO aims to professionalize the sector and enhance access to clean water in vulnerable communities.

Recent Government Initiatives for water conservation

Since water is a state subject, the planning, funding, execution, and maintenance of water conservation projects are managed by the State Governments. The Government of India supports these efforts by providing technical and financial assistance through various schemes and programs. India has committed investments of more than US$ 240 billion in the water sector and strong tailwinds suggest higher budget allocation in the future.

Scheme	Year Launched	Description	Budgetary Allocation
Jal Jeevan Mission	2019	• The Accelerated Rural Water Supply Programme, launched in 1972 and renamed as the National Rural Drinking Water Programme (NRDWP) in 2009, aimed to provide safe and adequate drinking water to all households by 2030. • This goal has been advanced under the Jal Jeevan Mission, which now targets providing tap connections with safe drinking water to all rural households by 2024, focusing on sustainability and community involvement. • As of August 31, 2024, 78.19% of rural households in India have tap water connections, totalling 15.1Cr households. • Since the launch of the Jal Jeevan Mission, 11.8Cr households have been provided with tap water connections, bringing the total to 73.81%. • Several states and UTs, including Goa, Haryana, Himachal Pradesh Arunachal Pradesh, and Gujarat, have achieved 100% household tap water coverage under the "Har Ghar Jal" initiative.	• Total allocation for 2023-24: ~INR 70K Cr
Pradhan Mantri Krishi Sinchayee Yojana – Har Khet Ko Pani (PMKSY-HKKP)	2021-26	• Aimed at improving farm-level water accessibility and promoting efficient irrigation methods. • Focuses on enhancing on-farm water use efficiency and sustainable conservation practices, with a specific emphasis on micro-irrigation (drip and sprinkler systems) under the "Per Drop More Crop" initiative.	• Central support to states: INR 37.4 Cr • Total scheme outlay: INR 93K Cr
National Aquifer Mapping and Management (NAQUIM) Programme (Revised)	2022	• Engages in outreach and execution of PIB-endorsed projects, focusing on infrastructure development for data generation under the GWM&R scheme. • Implements advanced groundwater monitoring and mapping, including installation of 7,000 piezometers with telemetry, heliborne surveys over	• NAQUIM operates under the CGWB as part of the Ground Water Management and Regulation (GWM & R) Scheme, with a budget of INR 325Cr

Scheme	Year Launched	Description	Budgetary Allocation
		~300,000 Sq. km in NW India, and 1,135 wells across 11 states. ~300,000 Sq. km in NW India, and 1,135 wells in 11 states	
Ground Water Management and Regulation (GWMR) (Revised)	2021	• Focuses on aquifer and spring shed mapping, aquifer rejuvenation, piezometer construction, and monitoring of groundwater levels and quality. • Evaluates groundwater resources and oversees groundwater extraction regulation.	• Estimated budget for GWMR in 2024-25: INR 325Cr
Master Plan for Artificial Recharge to Groundwater	2020	• Targets the construction of approximately 1.42 crore rainwater harvesting and artificial recharge structures across the country to capture 185B cubic meters of monsoon rainfall. • The plan has been shared with all states and union territories for implementation.	• Total cost for the revised master plan: ~INR 133K Cr • Allocation: ~INR 96,700 crore (72%) for rural areas and ~INR 36.7K Cr (28%) for urban areas
Atal Bhujal Yojana (Initiative by the Ministry of Jal Shakti)	2019	• Focuses on sustainable groundwater management through participatory approaches, involving Panchayat Raj Institutions and local communities.	• Budgetary outlay: INR 6K Cr
Jal Shakti Abhiyan	2019	• Designed to accelerate water conservation efforts across the nation. • Key strategies include water conservation, rainwater harvesting, rejuvenation of traditional water bodies, and watershed development.	• Total allocation for 2024-25: ~INR 21K Cr. • Central share: ~INR 8K Cr • State share: ~INR 13K Cr, including AIBP and CAD works
Swachh Bharat Mission-Gramin	2014	• Swachh Bharat Mission-Grameen (SBM-G) aimed to make rural India Open Defecation Free by constructing household toilets and promoting hygiene practices. • The mission focused on community participation, solid and liquid waste management, and aligning with global sanitation goals to improve public health in rural areas.	• Total allocation for 2022-23: ~INR 5K Cr 2023-24: ~INR 7.1K Cr
Namami Gange	2014	• National Mission for clean Ganga is an initiative under the Namami Gange mission, launched in 2014 with the aim of rejuvenating and conserving the Ganga River, with a budget allocation of INR 200,000 million (US$ 2,500 million). • Namami Gange is an integrated conservation mission launched by the Government of India to rejuvenate the Ganga River through initiatives like sewerage treatment, river-front	• Total allocation for 2014-21: INR 20K Cr

Scheme	Year Launched	Description	Budgetary Allocation
		development, and biodiversity enhancement. • Key components include river-surface cleaning, afforestation, public awareness, industrial effluent monitoring, and the development of Ganga Gram. • Under this mission, various programs and projects are implemented to improve water quality and enhance the ecosystem • 116 sewage projects completed, reducing pollution load on the Ganga, with 84 more in progress. • 0.85M toilets constructed in 1,674 Gram Panchayats, enhancing cleanliness in Ganga basin villages under Namami Gange.	

Wastewater management policies in key states

Over time, population growth, industrial expansion, and infrastructure development have intensified the depletion of natural water sources, leading to water stress in various regions worldwide. Consequently, strict environmental regulations are now in place to curb overburdening and pollution of natural resources. These state-specific programs reflect a commitment to addressing local water challenges through community engagement, advanced technologies, and supportive policies. By leveraging diverse approaches tailored to regional needs, these initiatives collectively contribute to a broader national effort to preserve and efficiently use water resources. This multi-faceted approach underscores the proactive stance of state governments in tackling one of the most pressing environmental issues of our time.

State	Policy	Wastewater regulations
Maharashtra	Swachh Maharashtra Mission (Urban)	• Enhance urban sanitation through **infrastructure development for wastewater management, public awareness campaigns, & fostering private sector engagement** in sanitation services • Action Plan for **Industrial Cluster at Aurangabad** includes measures such as the **installation of wastewater treatment plants & the implementation of effluent treatment** technologies
	State Water Sanitation Mission (SWSM)	• The State Water and Sanitation Mission (SWSM), Maharashtra, aims to provide every rural person with sustainable access to safe water for drinking and domestic needs, meeting quality standards and being available at all times. • SWSM is responsible for implementing the **Jal Jeevan Mission** in Maharashtra, targeting Functional Household Tap Connections (FHTC) for all rural households by 2024, ensuring safe water and sanitation facilities at the doorstep • Safe drinking water is a basic necessity, and since water is a state subject, rural water supply is included in the Eleventh Schedule of the Constitution, allowing states to entrust its management to panchayats.
	Maharashtra Jeevan Pradhikaran	• Maharashtra Jeevan Pradhikaran is renowned for providing technical approvals and implementing water supply and sewerage projects, while also offering technical support to local bodies in solid waste management and lake conservation
Rajasthan	Rajasthan State Water Policy, 2010	• Emphasizes a comprehensive approach to water management through river basin/sub-basin planning and community

State	Policy	Wastewater regulations
		involvement, **prioritizing human drinking water** and agriculture. • Focuses on building drought resilience, reflecting full costs, and enhancing institutional capacity, while also addressing water conservation, quality, and pollution.
Tamil Nadu	Treated Wastewater Reuse Policy 2019	• **Reuse treated wastewater for industrial & agricultural purposes**, aiming to increase treated water supply & usage while reducing dependency on freshwater sources
	Tamil Nadu Industrial Policy 2021	• Use of **water conservation solutions, including wastewater treatment & recycling systems**, to increase the supply & use of treated water • Adoption of **smart technologies & IoT solutions** to enhance business continuity, reduce dependency on manpower, & optimize water usage • **Installation of pollution control devices (PCDs)** to ensure compliance with environmental standards & minimize pollution
Gujarat	Policy for Reuse of Treated Wastewater	• Aims to reach minimum **80% coverage and collection of sewage in all municipal towns** • To reach a level of **100% treatment of collected sewage** as per the prescribed standards • Reuse at least **25% of total freshwater consumption from Treated Wastewater (TWW)** within the time limit set under policy by every municipal body**, 70% of TWW by 2025 and 100% of TWW by 2030**
Karnataka	KSPCB[4] mandates	• Employed a **centralized wastewater management system**, including the **construction of sewage treatment plants & the augmentation of the sewage network** • MCC[5] & MSEZL[6] partner in a **public-private venture** for wastewater management, involving **treatment at sewage plants &reuse by industries**
Maharashtra	Swachh Maharashtra Mission (Urban)	• Enhance urban sanitation through **infrastructure development for wastewater management, public awareness campaigns, & fostering private sector engagement** in sanitation services • Action Plan for **Industrial Cluster at Aurangabad** includes measures such as the **installation of wastewater treatment plants & the implementation of effluent treatment** technologies
Uttar Pradesh	UPPCB[7] mandate	• Regulations set specific limits on the **concentration of various pollutants allowed in the discharged wastewater**; these limits consider factors like BOD (Biochemical Oxygen Demand), COD (Chemical Oxygen Demand), pH levels, & the presence of heavy metals
Haryana	Reuse of Treated Wastewater Policy	• Maximize the **collection/treatment of sewage generated** & reuse the treated wastewater on a sustainable basis • Outlines the need for industrial establishments to **treat domestic wastewater generated within their premises** & **reuse** it for appropriate non-potable applications • HSPCB will ensure the **installation of online analysers in industrial units when treated sewage is being discharged**, & installed in all Sewage Treatment Plants (STPs) & Common Effluent Treatment Plants (CETPs)

State	Policy	Wastewater regulations
Telangana	Industrial Policy Framework (2015)	• **10% of water from all existing and new irrigation sources** shall be earmarked for industrial use • Each industrial park shall be provided with **a Common Effluent Treatment Plant (CETP)**, depending on the nature of effluents expected from the specified industrial activity
	Hyderabad Metropolitan Water Supply & Sewerage Regulations	• **Class-I:** General permits for connections to the wastewater facilities. • **Class-III:** Industrial/Trade effluent discharges require separate information and monitoring • **Access and equipment for monitoring industrial wastewater** discharges shall be provided and maintained by the owner at their expense • Measurements, tests, and analysis shall be determined in accordance with **IS 2490 Part-I and comply with state law**
Chhattisgarh	Chhattisgarh Ground Water (Regulation and Control of Development and Management) Bill, 2012	• Mentions the need to formulate guidelines for the recycling and reuse of wastewater, aims at promoting sustainable practices that can reduce the burden on groundwater resources • Outlines various **offences and penalties** related to the misuse of groundwater and improper management of wastewater, including penalties for unauthorized extraction or discharge of wastewater that could harm groundwater quality
Jharkhand	Jharkhand State Water Policy, 2011	• Encourages the preparation of a **State Water Resources Plan** to promote balanced development and coordination among various water uses • Policy includes provisions for penalties against entities that violate **water management regulations**, particularly concerning pollution and unauthorized water extraction
Odisha	Odisha State Water Policy 2007	• The policy prioritizes water allocation for ecology, establishes river basin planning organizations, and emphasizes **water conservation, efficiency, and hydropower development.** • The policy promotes comprehensive water resource management through **multi-sectoral river basin plans, water augmentation projects**, and a modern hydrological information system.
Rajasthan	Rajasthan State Water Policy, 2010	• Emphasizes a comprehensive approach to water management through river basin/sub-basin planning and community involvement, **prioritizing human drinking water** and agriculture. • Focuses on building drought resilience, reflecting full costs, and enhancing institutional capacity, while also addressing water conservation, quality, and pollution.

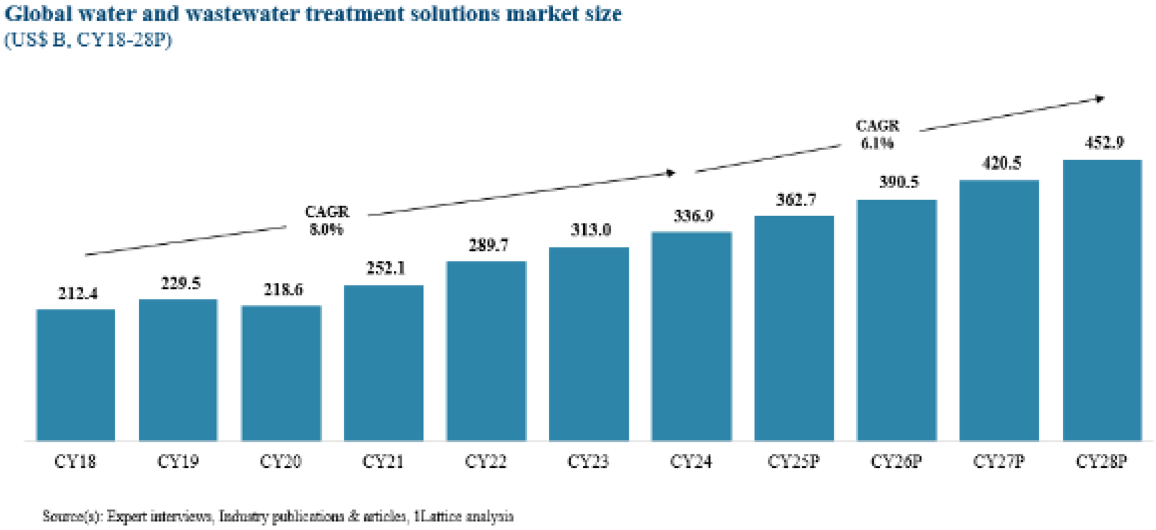
Indian addressable water & wastewater market overview

Indian addressable water & wastewater industry market overview

India is facing a severe water crisis, driven by rapid population growth, economic expansion, urbanization, and industrialization. The situation is exacerbated by pollution, inefficient water use, and poor management. In response, significant investments are being made in advanced wastewater treatment technologies, supported by initiatives like the Atal Mission, Clean Ganga, and Jal Jeevan Mission. The water industry in India is expanding, focusing on wastewater treatment, desalination, purification, and distribution to tackle the growing demand and scarcity.

Global addressable water and wastewater treatment solutions market size

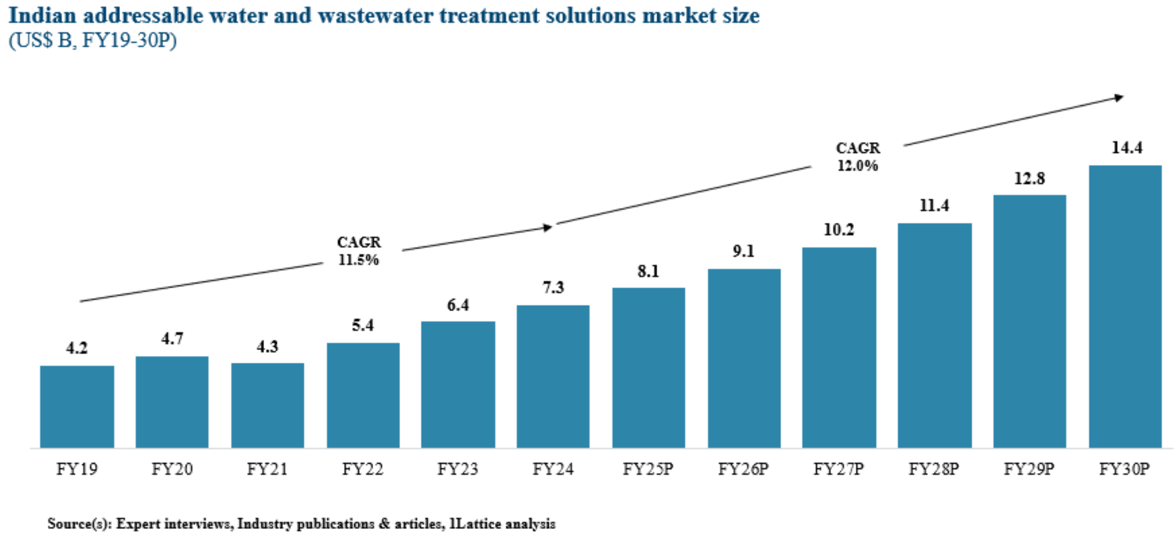
The global addressable water and wastewater treatment market was valued at US$ 336.9B in CY24, registering a CAGR of 6.1% during CY18 to CY24. The growth can be attributed to several factors like stringent government regulations, private investments for water treatment plants, policies focusing on river & water source cleaning. The market is expected to reach US$ 452.9B in CY28. This market encompasses the revenue generated from the sale of systems and services designed to manage and treat water and wastewater. It includes the provision of operation and maintenance (O&M) services, as well as the supply of necessary spares and chemicals. The market is experiencing growth, driven by increasing demand for efficient and sustainable water management solutions.



Additionally, regions like Asia-Pacific (APAC) & Middle East & Africa (MEA) have been increasing their contribution in the addressable water and wastewater treatment market. The Middle East and Africa (MEA) market constitutes ~8% of the global addressable water and wastewater treatment market. MEA water and wastewater treatment was valued at US$ 18.3B in CY18, increasing to US$ 29.3B by CY24, reflecting a compound annual growth rate (CAGR) of 9.8%. It is projected to reach US$ 39.8B by CY28, maintaining a robust CAGR of 8.0% during this period. This robust growth is fuelled by the rising demand for efficient water management solutions, rapid urbanization, and significant infrastructure development in the region. Notably, the MEA region is witnessing substantial investments in sustainable water treatment initiatives, underscoring its critical importance in the global landscape

Market size overview & growth outlook for FY19-30

The Indian addressable water and wastewater treatment solutions market, valued at US$ 7.3B (INR 602.9B) in FY24, is projected to reach US$ 14.4B (INR 1,189.2B) by FY30, with a CAGR of 12.0% during this period. This growth is driven by the economic imperative of efficient water management. As the concerns over water scarcity intensify, industries and municipalities face increasing pressure to adopt efficient wastewater treatment practices. This leads to stringent regulations on effluent treatment and the escalating concern over water scarcity, prompting a significant shift towards reducing freshwater usage across various sectors. As the world's third-largest coal producer, India faces significant environmental challenges that are spurring demand for advanced wastewater treatment solutions due to water-intensive coal mining and coal-based industries, which generate significant wastewater. This wastewater contains harmful pollutants like heavy metals and chemicals, leading to contamination of water sources. The pressure to reduce water pollution and improve water management is driving the demand for advanced wastewater treatment solutions. In 2021, India generates 72,368 MLD of sewage daily, but only 20,235 MLD (28%) of this is treated, despite STPs having an installed capacity of 31,841 MLD (44%). This untreated sewage poses substantial costs for municipalities, including increased public health risks, environmental degradation, and higher expenses for emergency clean-ups. Improved sewage treatment capacity is crucial to reduce these costs and ensure fiscal stability.



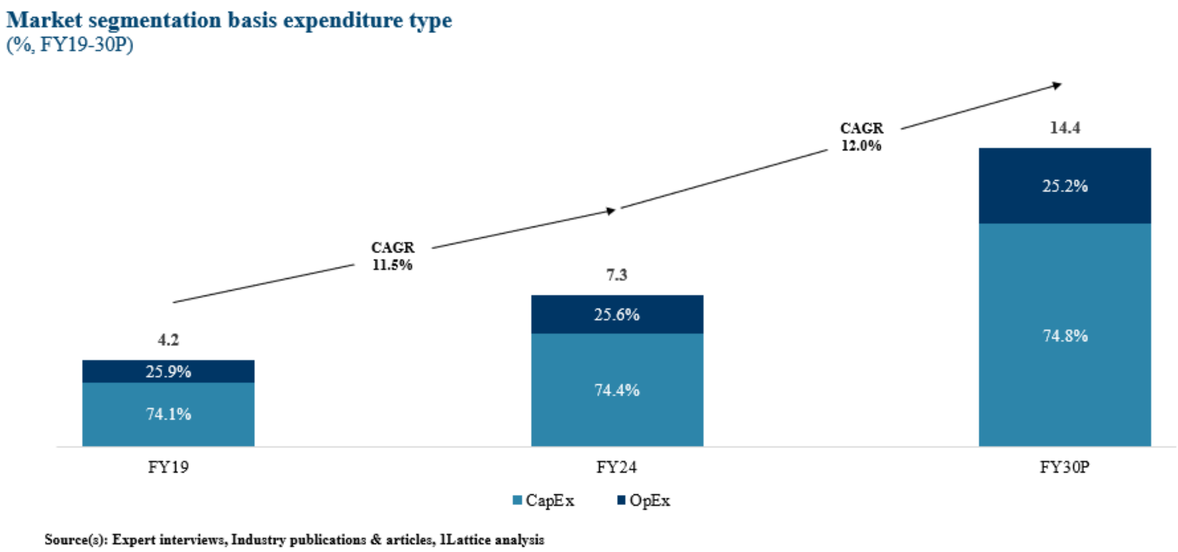
The broader trend towards modernization, including adopting advanced and smart technologies, is also contributing to this expansion. Implementing smart water and wastewater treatment technologies not only helps meet stringent regulations but also enhances service quality and manages operating costs effectively. Additionally, there is a heightened focus on wastewater management and reuse to address water scarcity and reduce environmental pollution.

Market segmentation

Market segmentation in the Indian addressable water and wastewater industry involves categorizing the market into distinct groups based on various factors such as expenditure, application, treatment technology, end-user sectors, and geographical regions

Indian addressable water and wastewater treatment market segmentation basis expenditure

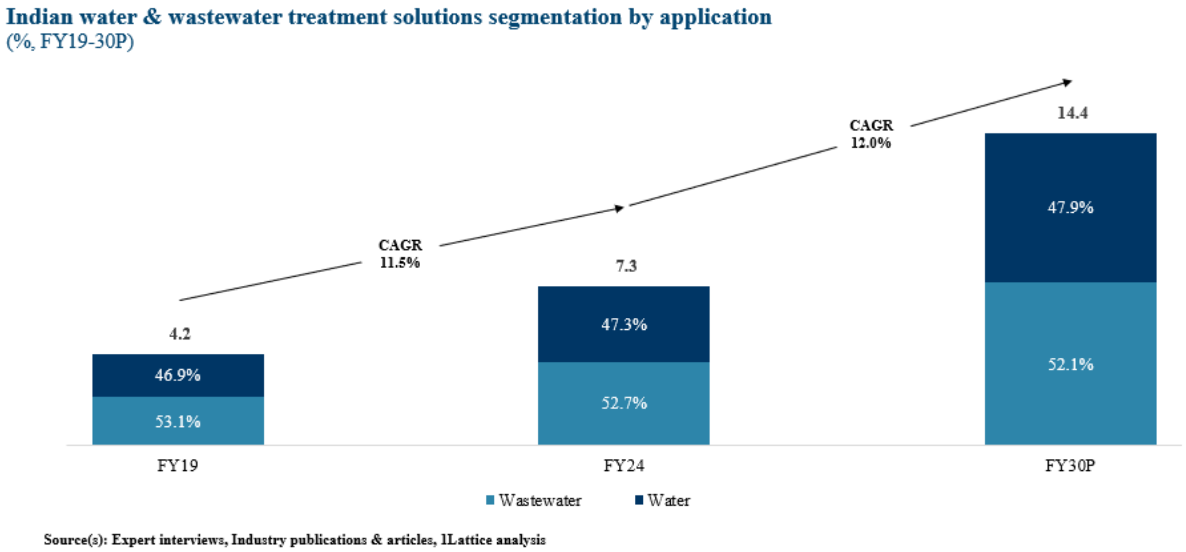
While CapEx covers substantial investments in systems, engineering, and construction, OpEx includes costs for running and maintaining systems, such as operation and maintenance services, spare parts, and chemicals. The cost dynamics of water and wastewater treatment emphasize the importance of balancing initial capital expenditure (CapEx) with ongoing operational expenditure (OpEx).



In FY24, the Indian OpEx market was valued at US$ 1.94B (INR 160.2B) which constitutes 25.6% of the total market share. In FY24, the water and wastewater industry had CapEx accounting for 74.4% of total revenue. Achieving a balanced split is essential for ensuring the long-term sustainability and efficiency of water and wastewater treatment operations.

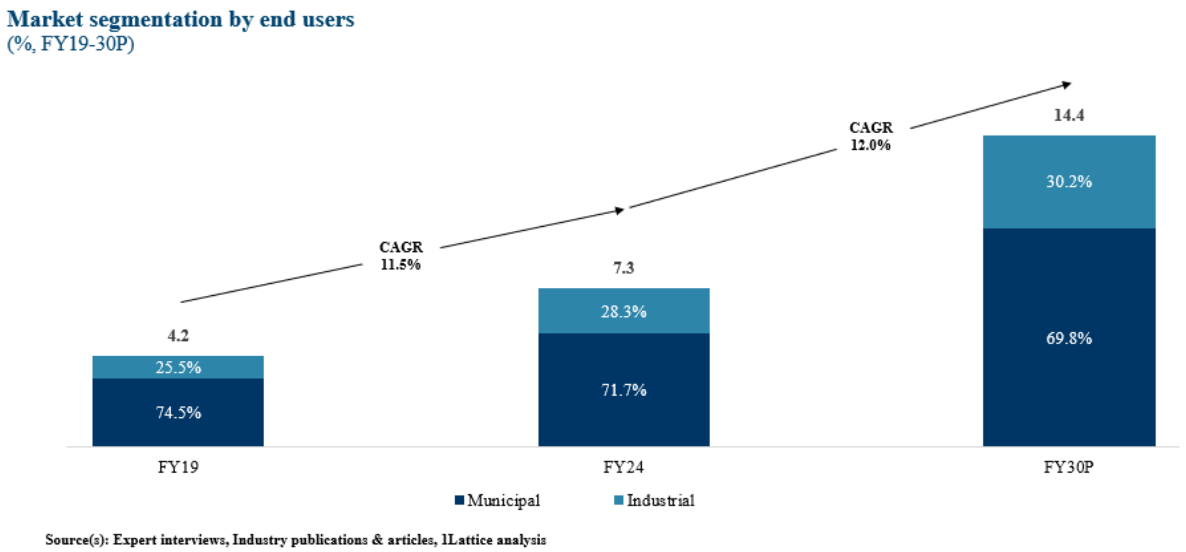
Indian addressable water and wastewater treatment market segmentation by application

The Indian addressable water and wastewater treatment solutions market is projected to reach US$ 14.4B (INR 1,1,89.2B) by FY30, growing at a CAGR of 12.0% from FY24 to FY30. The market is segmented into water treatment and wastewater treatment, with water treatment expected to steadily increase its share from 46.9% (US$ 2.0B) in FY19 to 47.9% (US$ 6.9B) by FY30, while wastewater treatment remains a dominant focus, reflecting ongoing investment in both areas.



Indian addressable water and wastewater treatment market segmentation basis end users

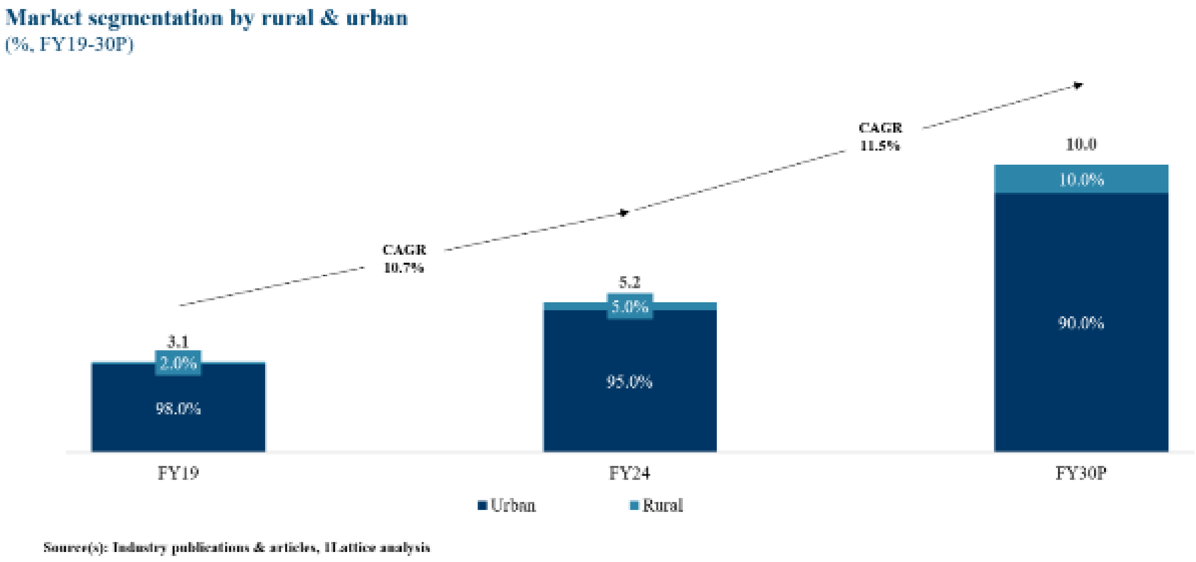
In India, the water and wastewater treatment market is split into municipal and industrial segments, with the municipal segment leading. In FY24, municipal wastewater treatment accounted for 71.7% of the market, totalling US$ 5.2B (INR 429.4B), driven by urbanization and the need for sustainable water management. From FY24 to FY30 the municipal segment grew steadily from US$ 5.2B (INR 429.4B) in FY24 to US$ 10.1B (INR 825.9B) in FY30, with overall market growing at a compound annual growth rate of 12%, driven by increasing urbanization and infrastructure development.



Municipal corporations rely on water treatment solutions such as filtration systems, chemical and biological treatments, advanced oxidation processes, and desalination to provide clean water for various purposes. Biomass is widely employed in municipal wastewater treatment, enhancing efficiency. Industries have also increasingly adopted these advanced technologies including effluent treatment plants (ETPs), activated sludge processes, membrane bioreactors (MBRs), electrocoagulation, nanotechnology based arsenic and fluorine removal, Electro chlorination plants and zero liquid discharge (ZLD) systems, to reuse wastewater in their operations, enhancing resource efficiency and sustainability. Both sectors are integral to driving demand for these solutions, fostering environmental responsibility and sustainable development initiatives. Government regulations and ESG goals emphasize stringent water treatment standards and sustainability, driving improvements in wastewater management and resource recovery.

Indian municipal water and wastewater treatment market segmentation basis rural & urban

The municipal wastewater treatment market has shown steady growth, rising from US$ 3.1B (INR 256.0B) in FY19 to US$ 5.2B (INR 429.4B) in FY24, with a CAGR of 10.7% over this period. Looking ahead, it is expected to grow further to US$ 10.0B (INR 825.9B) by FY30, driven by a projected CAGR of 11.5% from FY24-30. This growth is largely fuelled by stringent government regulations and increased investments in municipal infrastructure, particularly focusing on sustainable wastewater management.



While the market has been predominantly urban, with urban areas accounting for 98.0% in FY19, there is an optimistic shift toward rural regions. The rural market, starting at just 2.0% in FY19, is expected to grow to 10.0% by FY30. This increase is largely attributed to government initiatives that prioritize wastewater infrastructure in rural areas, especially through policies aimed at improving sanitation, health, and water conservation in these underserved regions. The push for rural wastewater management also aligns with broader environmental goals, as the government looks to address the gap in infrastructure while supporting rural development.

In addition to government laws, factors such as increasing awareness of water conservation, rising industrialization in rural areas, and the need for sustainable agricultural practices are contributing to this shift. As rural demand grows, the market is becoming more balanced, with wastewater treatment solutions now expanding to areas that were previously underserved. This trend highlights the positive impact of policy interventions and the broader push for inclusive development

Rite Water plays a pivotal role in wastewater treatment by providing innovative water solutions that address both water scarcity and water quality issues. The company offers a range of decentralized purification systems designed for rural and urban areas, ensuring access to clean water through advanced technologies. Their Community Water Plants, Rural Water Supply Schemes, and Mini Water Supply Schemes (solar-powered) treat and purify water locally, making safe drinking water accessible to remote communities. Additionally, Rite Water's solar-powered treatment units and mobile water ATMs provide sustainable, energy-efficient options for wastewater management.

In the water solutions sector, factors such as evolving environmental regulations, shifts in government policy, and fluctuations in budgetary allocations to public water infrastructure projects may influence demand for their offerings and solutions. These solutions not only help recycle and treat water but also reduce the reliance on freshwater resources, contributing to environmental sustainability and public health improvement.

Key market drivers for Indian water and wastewater treatment solutions

The Indian water and wastewater treatment sector is witnessing significant growth driven by a multitude of factors shaping the market landscape. As one of the fastest-growing economies globally, India faces escalating water scarcity, pollution, urbanization, and industrialization challenges. This heightened demand exacerbates issues of water scarcity and pollution, necessitating robust waste and wastewater treatment solutions. These issues drive the need for advanced treatment solutions to meet strict regulatory standards. In India, where 50-60% of wastewater is currently treated, government initiatives like AMRUT and Namami Gange aim to improve treatment infrastructure and advanced technologies like membrane filtration, reverse osmosis, and digital monitoring enhance efficiency. The Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs) also enforce limits on parameters like COD, TDS, TSS, and BOD, requiring industries to install effluent treatment plants and obtain permits. Non-compliance can result in fines or facility closures. This regulatory environment is boosting demand for sophisticated treatment technologies and creating opportunities for specialized consulting and testing services.

Today, the public is increasingly becoming aware of environmental issues, putting pressure on industries to minimize their environmental impact. Companies are embracing Corporate Social Responsibility (CSR) initiatives, including responsible water management practices in industrial sector, to enhance their public image and gain a competitive edge. The expansion of specific industries with high water usage, like textiles, pharmaceuticals, chemicals and power generation, fuels the demand for water treatment and wastewater management solutions tailored to their specific needs. Some of these similar market drivers calling for water treatment are as follows:

Key market practices, trends, and opportunities in water and wastewater management in India

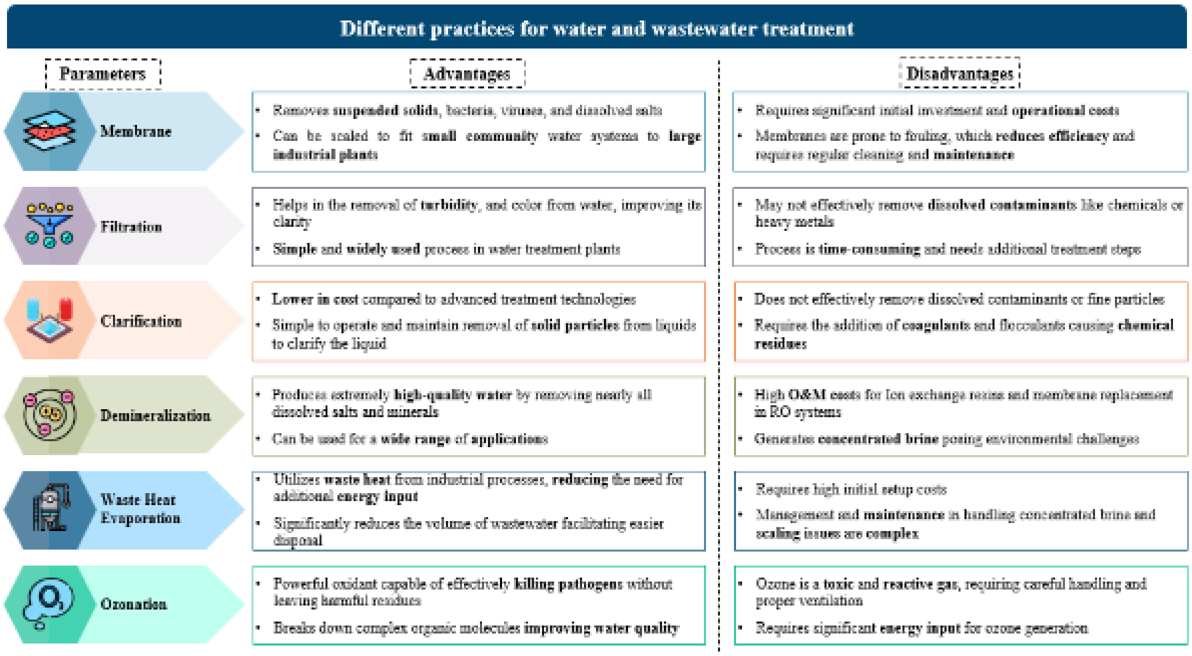
The Indian water and wastewater treatment market is set for substantial growth driven by increased private investments and new government initiatives & policies such as Namami Gange, AMRUT and stringent discharge and wastewater reuse standards aimed at attracting broader participation, including from remote participants. to attract remote participants. Effective water management strategies are expected to boost India's GDP growth to 6.5% annually. Key trends include a shift towards decentralized treatment systems to address urban spread and infrastructure gaps, the rise of public-private partnerships (PPPs) to bridge funding shortfalls, and the adoption of performance-based contracting models to ensure efficient service delivery and accountability.

Emerging trends	
Membrane Technologies	• Advancements in membrane filtration, particularly **Reverse Osmosis** (RO), signify a transformative shift in the industry's landscape. RO is known for its high-efficiency treatment and desalination capabilities • Incorporation of technology revolutionizes **water treatment practices**, offering **sustainable solutions** for addressing water scarcity challenges and enhancing environmental resilience
Digitalization and Smart Water Management	• Integration of digital technologies, such as sensors, data analytics, and **Internet of Things** (IoT), marks a paradigm shift in water management practices, empowering real-time monitoring and optimization of treatment processes • Concord Enviro **provides IoT-based solutions** to enhance wastewater management and support sustainable operations for the clients.
Resource Recovery	• Efforts to promote water reuse and harness energy from wastewater, particularly through anaerobic digestion, by **generating energy** (e.g., methane) and producing **nutrient-rich biosolids** for agricultural use, supporting both energy recovery and sustainability. • Exploration of **anaerobic digestion** methods for **biogas** recovery exemplifies a strategic endeavor to mitigate **environmental impact** and promote long-term ecological balance through resource regeneration
Sustainability Practices	• Embracing and implementing **energy-efficient treatment** technologies and **green infrastructure solutions** for stormwater management exemplify concerted efforts to minimize ecological footprint and promote ecological resilience • Reinforces the industry's role as a **catalyst** for positive **environmental change**, driving towards a more sustainable and resilient future for water management
Financing Innovations	• Alternative financing mechanisms such as **green bonds** and **impact investing** offer innovative solutions to overcome **financial barriers** and accelerate the implementation of critical water infrastructure initiatives • Investing signals a growing recognition of the inherent value of water as a strategic **investment opportunity**, fostering collaboration between **public** and **private sectors** for equitable access to clean water resources

There are several key opportunities for industries to manage water and wastewater treatment in India:

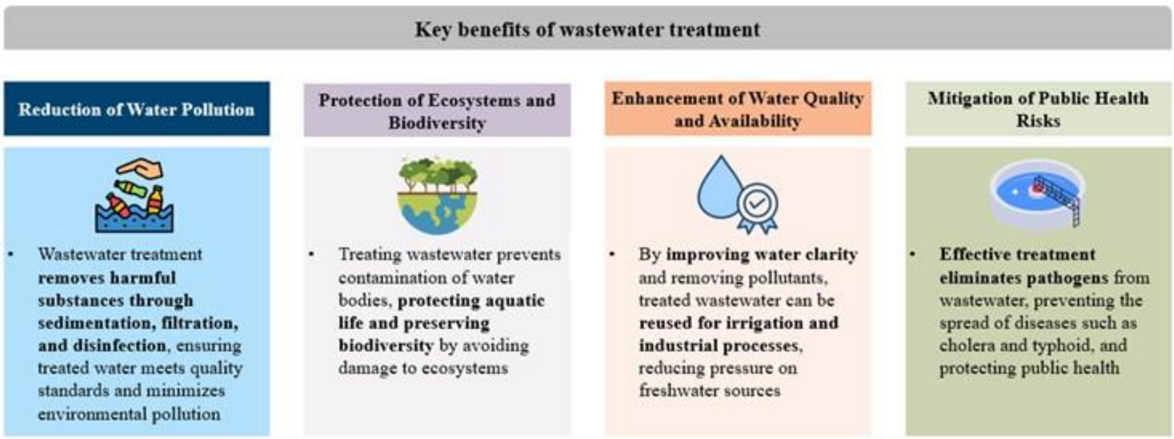
Comparative analysis of major technologies for water and wastewater treatment solutions

The water and wastewater management systems encompass a diverse array of technologies and approaches aimed at treating and reusing water while minimizing environmental impact. Treatment systems vary depending on the industry and its specific pollutants. Common technologies include physical methods like filtration to remove solids, chemical treatments to adjust pH or break down contaminants, and biological processes that leverage microbes for organic matter breakdown. Advanced options like membrane filtration and reverse osmosis offer high-level purification for reuse or stricter regulations. Technologies like filtrations which includes ultrafiltration (UF), nanofiltration (NF), and reverse osmosis (RO) enable the production of potable reuse water, reduce contaminants to meet stringent standards, support industrial applications and a plant can recover more than 90% of its wastewater through RO systems. The future of water management emphasizes resource recovery, with wastewater treatment becoming a platform to reclaim clean water and even generate energy from biogas.



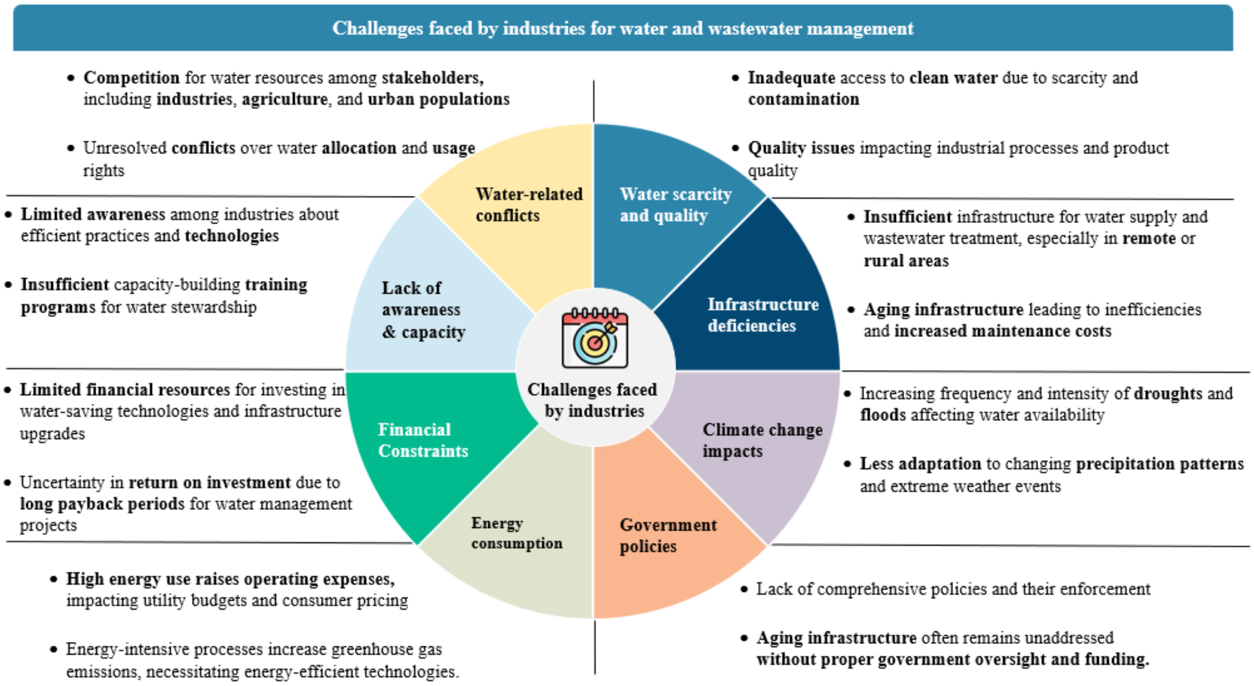
Key benefits of water & wastewater treatment solutions in India

Water and wastewater treatment offers crucial benefits that address both environmental and public health challenges. By effectively managing and treating wastewater, these processes significantly reduce water pollution, safeguard ecosystems, and enhance water quality and availability. The treatment of wastewater not only protects aquatic life and preserves biodiversity but also contributes to the sustainable use of water resources. Additionally, it mitigates public health risks by removing harmful pathogens, ensuring safer environments and improved quality of life. These key benefits underscore the importance of robust wastewater management systems in promoting a healthier and more sustainable future.



Key market threats and challenges for water and wastewater treatment in India

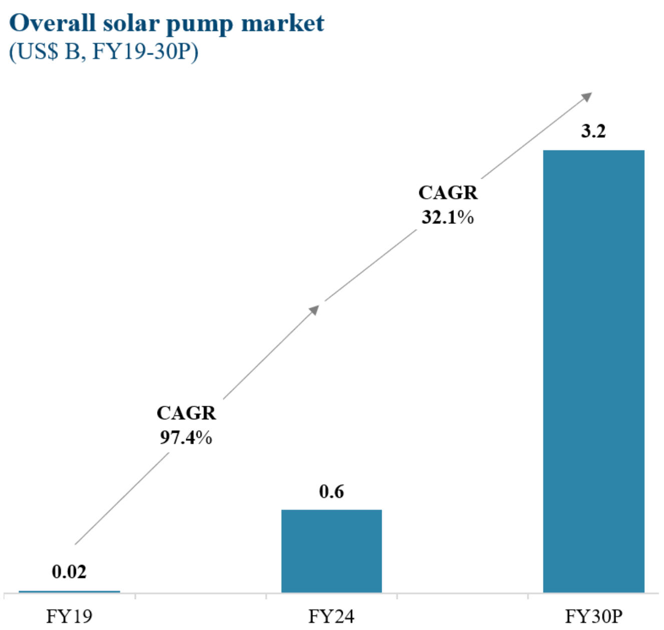
The challenges faced by industries in India for water and wastewater management are multifaceted. Aging infrastructure, financial issues and the need for continuous operation of treatment plants are significant hurdles. Additionally, the lack of real-time monitoring and an aging workforce further complicate the situation. These challenges are exacerbated by the country's water scarcity issues, with India's sewage treatment plants only treating one-third of the sewage generated daily.



Solar pump market overview

Indian solar pump market was valued at US$ 0.6B in FY24 and is expected to grow at a CAGR of 32.1% between FY24-30, expected to reach US$ 3.2B by FY30P

Solar pumps are environment-friendly and sustainable alternatives to diesel / grid-connected pumps. These cost-effective pumps provide energy access in remote areas with scarce electricity. It is important for sustainable agriculture in India, which contributes to ~18% of India's GDP. Solar pumps are widely used in agricultural activities for irrigation, drip irrigation, livestock watering, aquaculture, and rainwater harvesting.



Source(s): 1Lattice analysis

The Indian solar pump market has witnessed a remarkable growth trajectory increasing from US$ 0.02B in FY19 to US$ 0.6B in FY24 and is expected to reach US$ 3.2B by FY30P, growing at a CAGR of 32.1% over FY24-30P. The market growth is largely driven by government initiatives; incentives like PM-KUSUM, enabling farmers to get subsidized solar pumps. The PM

Kusum Scheme has an allocated budget of US$ 4.1B till March 2026 to subsidize instalment of new solar pumps and reduce dependence on grid/diesel pumps. Increased focus on reducing carbon emissions, emphasis on energy-efficient resources and technological advancements rising diesel costs, reduced dependency on stable electricity supply and protection from motor damage due to voltage fluctuations are other factors driving the solar pump market in India.

Key trends, growth drivers and challenges of the Indian solar pump market

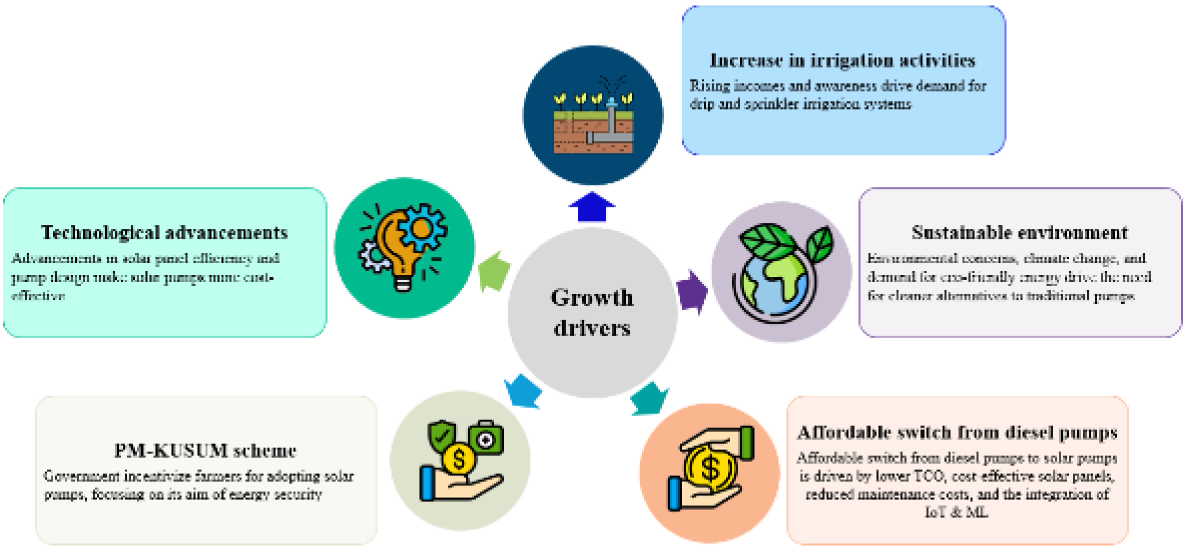
Key trends

Key trends in India's solar pump market include increased adoption of IoT and ML, emergence of hybrid systems, and declining solar panel costs driving widespread adoption.

Key trends	
Smart Controllers	• IoT-integrated controllers help monitor the pump surroundings, get data on over-extraction of groundwater on mobile application
Cost-effective solar panels	• Reducing solar panel costs boost adoption and accelerate the shift to renewable energy
AI / ML adoption	• ML algorithms analyze sensor data to forecast crop water needs and detect anomalies, aiding farmers in making informed decisions
Hybrid solar pumping system	• Hybrid solar pumping systems, blending solar & wind power, offer enhanced reliability & efficiency, catering to diverse energy needs

Growth drivers

The solar pump market in India is booming due to government initiatives like PM-KUSUM, technological advancements, focus on environmentally friendly energy, rising irrigation demand, and diminishing solar panel costs. These factors make solar pumps more affordable, efficient, and attractive for farmers.



Threats and Challenges The solar pump market in India faces challenges including high initial costs, limited awareness and the requirement of high working capital. Changes in the regulatory landscape or reductions in public investment could limit growth opportunities within solar sector. Similarly, the solar agriculture sector is highly reliant on consistent policies favouring renewable energy, governmental subsidies, and the stable supply and affordability of solar technologies. Any alterations to subsidy structures, shifts in trade policies impacting the cost and availability of solar components, or reduced governmental focus on solar adoption could adversely impact this sector, thereby affecting the demand for their solar-related offerings.

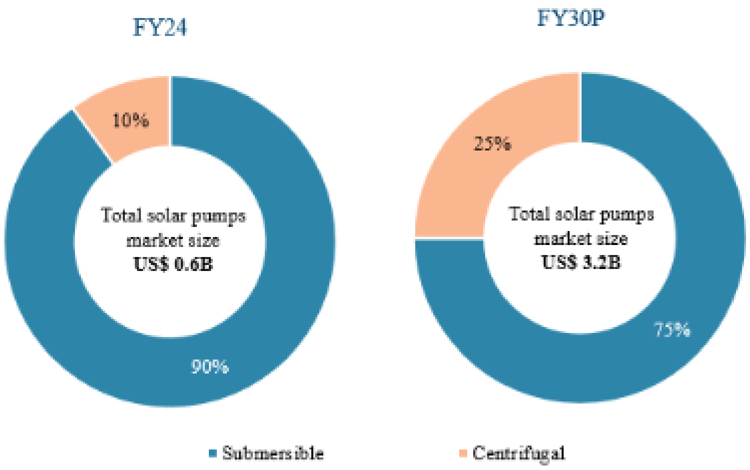
Challenges	
Cost barrier	• Significant initial investment & higher upfront cost compared to diesel pumps due to high components' cost • Financial constraint for small & marginal farmers
Knowledge gap	• Training needed due to limited awareness and skills in solar pump installation and maintenance
High working capital	• Time lag between pump installation and subsidy release create financial burden for manufacturers & suppliers

Market segmentations

Submersible solar pumps dominate the solar market, accounting for ~90% of the total solar pumps market

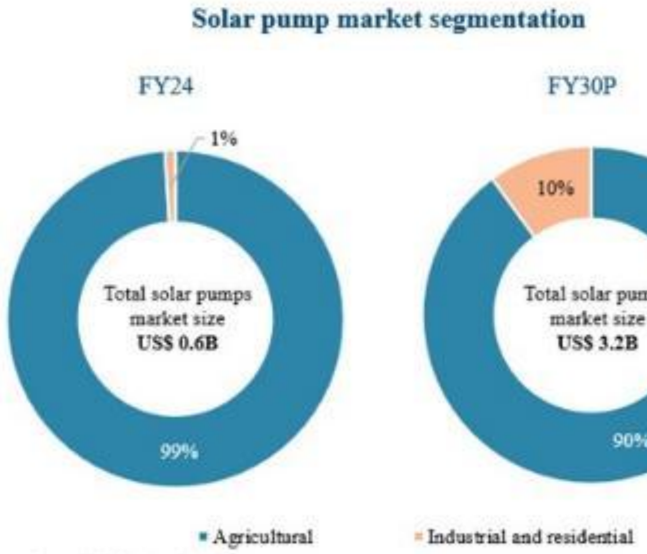
The submersible solar pump market accounts for 90% of the total solar pump market. These pumps are predominantly used for irrigation as they are highly efficient in drawing water from drip wells and boreholes. However, the market share of centrifugal solar pumps is expected to rise by ~15% between FY24-30P, due to its increased usage beyond agricultural activities majorly in small scale industries for displacement of liquids and adoption of solar pumps beyond the government schemes. The market is expected to grow at a CAGR of 32.1% between FY24-30P, with the market reaching to ~US$ 3.2B in FY30P.

Solar pump market segmentation



Source(s): 1Lattice analysis

Agriculture accounted for 99% of the total solar pump market in FY24



Source(s): 1Lattice analysis

Market potential for installing solar pumps			
S.No	Parameters	Unit	
A	Total farmers in India	M	144
B	# farmers with access to pumps- electricity, diesel and solar	M	30
C	# farmers running their pumps on diesel	M	8
D	Avg cost of pump	INR	1,50,000
E = C*D	Opportunity for replacement of existing diesel pumps	INR B	1,200 (US$ 14.5B)
F = (A-B)	Farmers with no access	M	114
G	Farmers who own > 1 hectare of land (Marginal farmers)	%	32%
H = (A*B-G)	Total marginal farmers - farmers who already own pumps	M	16.08
I	Untapped Opportunity for farmer without pumps	INR B	2,412 (US$ 29.1B)

The Indian agricultural solar pump market accounted for 99% of the total market in FY24. By FY30 this share will be ~90% of the market. The remaining 10% share would be for industrial and residential sectors due to the increasing awareness and usage of solar pumps in these sectors. In the industrial sector, the solar pumps will be increasingly utilized in several use cases including the food and beverage industry, wastewater treatment plants, amongst others.

India has a vast potential for installation of solar pumps. India has a total of 144M farmers, out of which ~30M have access to water pumps powered by electricity, diesel, or solar energy. 30% of the farmers are currently using diesel-powered pumps indicating ~8M of these farmers currently rely on diesel pumps. Given the average cost of a solar pump is INR 150,000, the potential market for replacing diesel pumps alone is valued at INR 1,200B (US$ 14.5B). This transition presents a dual advantage: reducing dependency on diesel and promoting sustainable energy use., while the remaining 110M farmers do not have access to pumps and among these, 70% of farmers reside in areas with limited access to natural water sources such as canals or rivers. This presents an opportunity for the widespread adoption of solar pumps to address the unmet agricultural water needs of a significant portion of India’s farming community

Furthermore, there are 114M farmers without any access to pumps, highlighting another substantial market segment. Out of these, ~32% are marginal farmers with landholdings exceeding one-hectare potential customers for solar pumps. The untapped market for providing pumps to these farmers is estimated at ~INR 2,400B (US$ 29.1B). The replacement pump market is estimated to be around ~INR 65B in FY24, highlighting significant potential for the replacement of existing pumps which is expected to rise further to ~INR 143B by FY29 growing at CAGR of ~17%.

In total, the combined market potential for installing solar pumps, encompassing both the replacement of diesel pumps and providing pumps to those without access, stands at an impressive ~INR 3,600B. This substantial opportunity underscores the economic and environmental benefits of promoting solar pumps in India’s agricultural sector, addressing the needs of millions of farmers and contributing to sustainable development.

Lower Total cost of ownership vs diesel pumps and other pumps

1. **Diesel Pumps:** These pumps have the highest total cost of operation and need to be replaced after being used for ~10 years, making them less economical and sustainable.

2. **Grid-connected pumps:** These pumps are expensive for farmers. The total cost to farmers can be low with electricity subsidies, but the burden on the government is high. Additionally, for a 5HP pump, the residual life after 10 years of usage is only 3-5 years.

3. **Solar pumps:** These pumps have higher initial costs, but the operational cost is much lower compared to grid-connected or diesel pumps.

Cost of operation for 5 HP submersible pump for 10-year period								
				Grid-connected pump		Solar pump		
	Particulars	Units	Diesel pump	Without electricity subsidy	With electricity subsidy	Without PM KUSUM	PM KUSUM scheme subsidy: 30% state 30% centre	PM KUSUM scheme subsidy: 50% state 30% centre
(i)	Cost of pump plus accessories	INR	1,00,000	1,00,000	1,00,000	2,40,000	3,00,000	3,00,000
	Subsidy	%	0%	0%	0%	0%	60%	80%
(ii)	Subsidy offered	INR	0	0	0	0	1,80,000	2,40,000
(a)	Cost of pump plus accessories to farmer = (i)-(ii)	INR	1,00,000	1,00,000	1,00,000	2,40,000	1,20,000	60,000
(b)	10-year maintenance cost	INR	40,000	30,000	30,000	5,000	5,000	5,000
(c)	10-year Electricity / fuel cost	INR	12,82,638	2,51,295	2,51,295	0	0	0
(d)	Subsidy	INR	0	0	2,51,295	0	0	0
(e)	10-year Electricity / fuel cost after subsidy	INR	12,82,638	2,51,295	0	0	0	0
(f)	**Total cost of ownership for 10 years for farmer = (a)+(b)+(e)**	**INR**	**14,22,638**	**3,81,295**	**1,30,000**	**2,45,000**	**1,25,000**	**65,000**
(g)	**Total cost of ownership for 10 years for Govt = (d)+(ii)**	**INR**	**0**	**0**	**2,51,295**	**0**	**1,80,000**	**2,40,000**
(h)	**Total cost of ownership for 10 years for farmer and Govt = (f)+(g)**	**INR**	**14,22,638**	**3,81,295**	**3,81,295**	**2,45,000**	**3,05,000**	**3,05,000**
	Residual life after 10 years usage	# years	Need replacement	3-5 years	3-5 years	5-10 years	5-10 years	5-10 years

The price of solar pumps under the non-PM KUSUM scheme is more affordable because they use non-DCR panels, which are not subject to domestic manufacturing requirements and are thus 10-15% cheaper. Non-DCR panels are typically more widely available in the global market, offering a broader range of options in terms of technology, efficiency, and price. They are not bound by domestic manufacturing restrictions, allowing for more flexibility in selecting the most suitable solar panels for a project, and making them more cost-effective and readily available. Additionally, non-DCR panels are commonly used in various solar projects, including residential, commercial, and utility-scale installations. In contrast, the PM KUSUM scheme employs a 360-degree dual-axis rotating structure, which increases installation and commissioning costs by 10%.

Under the PM KUSUM scheme, the total cost borne by the government in the form of subsidies is lower than the electricity subsidies provided to the farmers. Moreover, solar pumps have a longer residual life compared to other pump types. For a 5HP solar pump, it is 5-10 years after 10 years of usage.

At an overall level, solar pumps are more beneficial than grid-connected or diesel pumps in terms of long-term costs and sustainability. For grid-connected pumps, even though there is a 100% electricity subsidy, the option is not lucrative enough due to high operational costs and limited electricity availability. Solar pumps, with or without the PM KUSUM scheme present a cost-effective and sustainable solution with a substantial residual life, making them advantageous for both farmers and the government.

Export scenarios of pumps:

Amid growing global investments in irrigation, water management, mining, and chemicals, Indian pumps are gaining significant traction internationally. With exports to over 190 countries surging by more than 20% post-COVID, Indian pumps are recognized for their cost-effectiveness and efficacy in addressing the rising demand for clean water and wastewater solutions worldwide. Furthermore, Indian-made submersible pumps are carving a niche in the oil and gas sector, offering corrosion-resistant solutions suitable for offshore applications, underscoring India's substantial export potential of INR 113.1B in FY24, which currently sees around 16% of its manufacturing capacity dedicated to exports.

Indian pump manufacturers often enjoy a cost advantage over international players due to several factors.

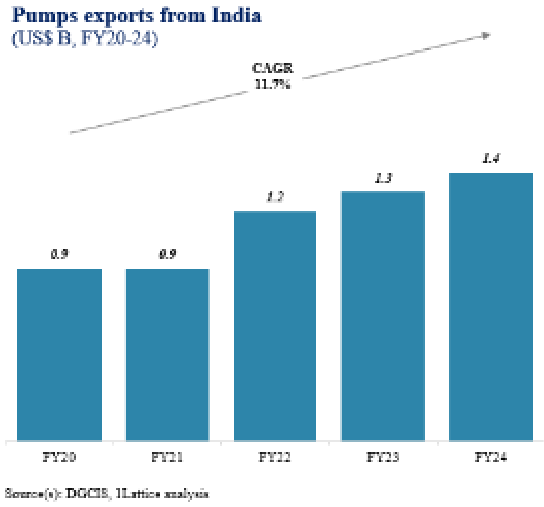
(a) **Lower Manufacturing Costs:** India has a readily available workforce (594M as of 2023) with competitive wages, leading to lower production costs compared to developed nations

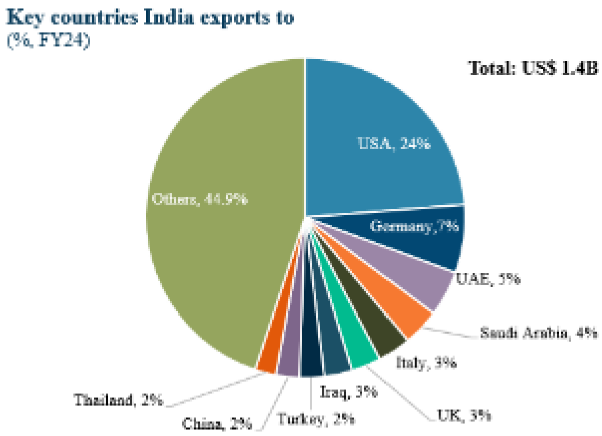
(b) **Government Incentives:** The Indian government provides subsidies and encourages domestic production through initiatives like 'Make in India', further reducing costs for Indian manufacturers.

(c) **Localized Supply Chains:** Indian players often have well-established domestic supply chains for raw materials and components, minimizing import dependence and associated costs.

Key countries India exports to:

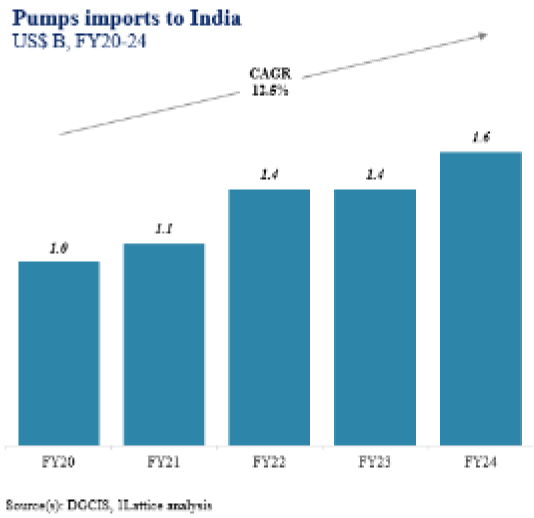
Indian pump industry has seen a 9.9% CAGR growth in exports from US$ 0.9B in FY20 to US$ 1.4BB in FY24. The USA is the largest importer of pumps, importing 24% of the total pump exports from India, followed by Germany (7%) and UAE (5%). The top 10 countries importing from India form ~55% of the total pump exports.

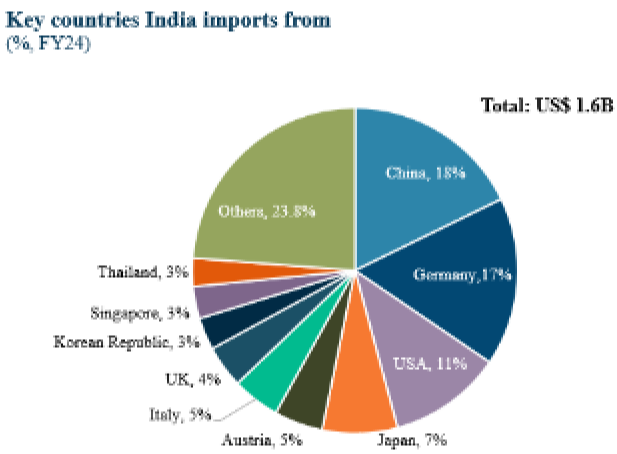




Key countries India imports from:

Indian pump industry has seen a 12.5% CAGR growth in imports from US$ 1.0B in FY20 to US$ 1.6B in FY24. China is the largest exporter of pumps, exporting 18% of the total pump imports to India, followed by Germany (17%) and USA (11%). The top 10 countries exporting to India form ~76% of the total pump imports.





Export and import analysis by type of pump:

Centrifugal pumps play a key role in India's pump exports, owing to their versatile usage in diverse industries. As global demand rises for water treatment and irrigation solutions, India's expertise in corrosion-resistant submersible pumps presents another promising export avenue. Companies that specialize in industrial and process pumps, target niche export markets catering to specific applications.

India predominantly imports air and vacuum pumps, with China emerging as the primary exporter of these products. Additionally, India imports various pump spare parts such as valves and taps to support its pump manufacturing and maintenance industries. These imports play a crucial role in ensuring the availability of essential components for the operation and upkeep of pumps across various sectors including manufacturing, agriculture, and infrastructure development.

Key exporters of pump:

Indian pump market is dominated by some key major players, including Kirloskar Brothers Limited (KBL), CRI Pumps, Oswal Pumps, Texmo Industries Ltd., Jyoti Pumps Ltd. and WPIL Ltd.

- KBL leads pump exports, capitalizing on their renowned brand and extensive global network, offering centrifugal pumps to diverse international industries.
- CRI Pumps, with a strong global footprint, exports pumps for industrial, agricultural, and domestic uses, prioritizing innovation and energy efficiency.
- Oswal pumps, a leading solar pump manufacturer, supplier and exporter, exports solar pumps and motors to more than 40 countries in the world and submersible and centrifugal pumps to ~20 countries in the world.
- Shakti pumps is also a leading exporter of solar pumps, having an in-house manufacturing unit for a wide range of products.
- Texmo specializes in customized industrial and process pumps, excelling in chemical, pharmaceutical, and sugar applications worldwide.
- Jyoti exports centrifugal pumps for global water supply, irrigation, and power sectors, focusing on R&D for cutting-edge solutions.
- WPIL, a submersible pump specialist, exports solutions for agriculture, wastewater treatment, and dewatering, known for its corrosion-resistant expertise in challenging environments.

Key factors impacting the domestic market

Legal / Statutory Compliances and Environmental / Ecology Norms

To demonstrate a commitment to environmental protection, cleanliness, employee health and safety, and overall welfare, as well as to meet customer quality expectations, both solar and submersible pump manufacturers must adhere to the following standards:

ISO 9001:2015

ISO 9001:2015 is the Quality Management System (QMS) standard that ensures the quality of products and services. For solar or submersible pumps manufacturers, this standard is crucial for ensuring the quality of their products. It provides a framework and set of principles that ensure a common-sense approach to the management of an organization to consistently satisfy customers and other stakeholders. Key benefits include improved consistency and quality of products and services, enhanced customer satisfaction and loyalty, reduced operational costs, improved risk management, & increased market opportunities

ISO 14001:2015

ISO 14001:2015 is the Environmental Management System (EMS) standard that ensures the organization’s environmental impact is minimized. For solar or submersible pumps manufacturers, this standard is crucial for reducing their environmental footprint. Reduction in waste and resource use, improved regulatory compliance. lowered environmental impact, enhanced corporate reputation and stakeholder trust, cost savings through improved efficiencies are the key benefits under this compliance.

ISO 45001:2018

ISO 45001:2018 is the Occupational Health and Safety Management System (OHSMS) standard that ensures a safe working environment. For solar or submersible pumps manufacturers, this standard is crucial for ensuring the safety of their employees. Key benefits include reduced workplace incidents and injuries, improved OH&S risk management, compliance with legal and regulatory requirements, enhanced worker engagement and safety culture, reduced absenteeism and turnover.

Government initiatives, regulations and policies

The Production-Linked Incentive (PLI) Scheme

The Production Linked Incentive (PLI) Scheme, introduced by the Government of India in CY20, involves an investment of INR 2.25L Cr over five years, covering 14 industries including textiles, food processing, PV solar, and automobiles. This scheme offers financial incentives based on incremental sales from products manufactured in India. Allocation of INR 14,007 Cr for 39,600 MW of domestic solar PV module manufacturing, incentivizes local production, enhancing India's self-sufficiency and reducing dependence on imports, particularly from China.

Enhanced local manufacturing of solar PV modules under the PLI Scheme directly benefits solar pump production by ensuring a stable supply of critical components. This scheme will attract significant investment in advanced technologies, boosting the competitiveness of Indian manufacturers. Rise in domestic production can lead to increased efficiency, economies of scale, and a stronger position in global markets.

Atmanirbhar Bharat

Launched in 2020, Atmanirbhar Bharat aims to make India self-reliant. It includes schemes such as PM Kisan Yojana and PM Krishi Sinchai Yojana, which empower farmers through financial and infrastructural support at the same time fostering local manufacturing capabilities and reducing dependency on imports. These initiative strengthens the production of solar panels and efficient water pumps. Policy reforms under this initiative also promote investments in key sectors like solar PV and advanced battery manufacturing. Reforms in areas such as FDI and ease of doing business facilitate investment in solar and pump manufacturing, enhancing production capacities.

Highlights of union budget 2024

The Union Budget 2024 emphasizes renewable energy and agricultural support. Key allocations include direct financial assistance to 11.8 Cr farmers under PM-KISAN and crop insurance for 4 Cr farmers under PM Fasal Bima Yojana. The introduction of the PM Surya Ghar Muft Bijli Yojana aims to provide up to 300 units of free electricity per month to 1 Cr households, with an outlay of INR 10,000 Cr to promote rooftop solar installations.

FTA Agreements

Indian Govt has formed a free trade agreement with ASEAN (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam) to import solar modules into India to meet the demand. Under the free trade agreement, India could add 15 GW of annual module imports by 2025 to meet the demand-supply gap in India. Reduced tariffs lower the cost of imported components, making solar pumps more affordable and boosting their adoption in agriculture and other sectors.

Jal Jeevan Mission

The Jal Jeevan Mission is a flagship initiative by the Government of India, launched in 2019 with the goal of providing every rural household with a functional tap water connection by 2024, with an allocated budget of INR 3.6T (US$ 44B). The mission aims to ensure a reliable supply of clean and adequate drinking water, promoting public health and improving quality of life in rural communities. With over 140M households already connected to tap water, Jal Jeevan Mission plays a critical role in addressing water scarcity and ensuring the long-term sustainability of water resources through rainwater harvesting, groundwater recharge, and water conservation efforts.

It aims to provide safe and adequate drinking water through individual household tap connections by CY24, supported by substantial government funding. The mission drives demand for high-efficiency water pumps, including solar-powered options, to ensure sustainable water supply. Particularly in rural and remote areas, this mission supports improved living standards and health outcomes.

Investments in water infrastructure with an outlay of INR 3.6L Cr create opportunities for pump manufacturers to supply the necessary equipment., the mission offers a significant market for both conventional and solar water pumps, fostering growth and innovation in the pump industry.

Swachh Bharat Mission

This mission focuses on sanitation and cleanliness, providing substantial funding to build sanitation infrastructure. Efficient pumps are essential for maintaining sanitation facilities. The mission's large-scale infrastructure projects drive demand for various types of water pumps. The budget of INR 1.41L Cr for this mission creates substantial demand for water management solutions, providing significant opportunities for pump manufacturers to expand their operations.

PM KUSUM Scheme

a) Overview of the components under the PM KUSUM Scheme

In March 2019, the Government of India launched the Pradhan Mantri Kisan Urja Suraksha Evam Utthaan Mahabhivan Scheme (“PM Kusum Scheme”), with total INR 344B (US$ 4.1B) central financial support with the objective of installing 1.40M standalone solar agriculture pumps in off-grid areas to provide energy security for farmers, reduce the consumption of diesel, promote the use of renewable energy in the agricultural sector and reduce environmental pollution. The PM Kusum Scheme also focuses on the solarization of 3.50M existing grid-connected agricultural pumps and provides subsidies to individual farmers who have grid-connected pumps to retrofit their pumps with solar panels

The Pradhan Mantri Kisan Urja Suraksha Evam Utthaan Mahabhiyan (PM-KUSUM) Scheme, launched in March 2019 with total INR 344B (US$ 4.1B) central financial support, aims to provide energy security to farmers, de-dieselize and promote the use of renewable energy in the agricultural sector, and reduce environmental pollution. PM Kusum Scheme focuses on solarizing 1.40M grid-connected agricultural pumps and provides subsidies to individual farmers who have grid-connected pumps to retrofit their pumps with solar panels.

The PM Kusum scheme was implemented by the MNRE in 2019 with three components:

(i) Component A - for setting up of 10,000 MW of decentralized grid connected renewable energy power plants on barren land. Under this component, renewable energy-based power plants (“REPP”) of capacity 500 KW to 2 MW will be set up by individual farmers/ group of farmers/ cooperatives/ panchayats/ farmer producer organisations/ water user associations on land. The power generated will be purchased by state electricity distribution companies (“DISCOMs”) at pre-fixed tariff

(ii) Component B - for installation of 1.75M standalone solar agriculture pumps. Individual farmers will be supported to install standalone solar agriculture pumps of capacity up to 7.5 HP for replacement of existing diesel agriculture pumps / irrigation systems in off grid area, where grid supply is not available

(iii) Component C - for solarisation of 1M grid connected agriculture pumps including feeder level solarization. Under this component, individual farmers having grid connected agriculture pumps will be supported to solarise pumps. The farmers will be able to use the generated solar power to meet their irrigation needs and excess power will be sold to DISCOMs at prefixed tariff. The MNRE by way order dated August 1, 2022, extended the PM Kusum Scheme till December 31, 2026, along with certain amendments to the implementation guidelines of the Scheme. On January 17, 2024, the MNRE has notified comprehensive guidelines for the implementation of the PM Kusum Scheme.

Component A	Component B	Component C
• Set up 10 GW of decentralized ground or stilt-mounted grid-connected solar/renewable power plants on barren or cultivable land. • Solar power generated will be purchased by DISCOMs at a Feed-in-Tariff (FiT) determined by SERC**.	• Target to install 14L standalone off-grid solar water pumps in off-grid areas to replace diesel pumps • Individual farmers will be supported to install standalone solar agriculture pumps of capacity up to 7.5 HP in off-grid areas.	• Solarize 35L existing grid-connected agricultural pumps, reducing dependency on grid power and providing reliable, sustainable energy for irrigation.

For the pump cost, under component B, the central government will cover 30% of the cost for standalone solar agricultural pumps, with the state government providing at least 30% as well. Farmers are responsible for the remaining 40% at most. However, in few cases, additional support is provided by either centre / state government. For example, for northeastern states, Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttarakhand, Lakshadweep and A&N Islands, CFA of 50% of the benchmark cost or the tender cost, whichever is lower, of the stand-alone solar pump will be provided by the central government taking the subsidy amount to 80% of total pump cost, while the farmers’ share is reduced to a maximum of 20%.

States/ Contribution	Central	State	Farmer
Andhra Pradesh	30%	30%	40%
Arunachal Pradesh	30%	30%	40%
Assam	30%	30%	40%
Bihar	30%	30%	40%
Chhattisgarh	30%	30%	40%
Delhi	30%	30%	40%
Goa	30%	30%	40%
Gujarat	30%	30%	40%
Haryana	**30%**	**45%**	**25%**
Himachal Pradesh	**50%**	**30%**	**20%**
Jammu & Kashmir	**50%**	**30%**	**20%**
Jharkhand	**30%**	**64%**	**6%**
Karnataka	**30%**	**50%**	**20%**
Kerala	30%	30%	40%
Ladakh	30%	30%	40%
Madhya Pradesh	30%	30%	40%

States/ Contribution	Central	State	Farmer
Maharashtra	30%	30%	40%
Manipur	30%	30%	40%
Meghalaya	30%	30%	40%
Mizoram	30%	30%	40%
Nagaland	30%	30%	40%
Odisha	30%	30%	40%
Puducherry	30%	30%	40%
Punjab	30%	30%	40%
Sikkim	**50%**	**30%**	**20%**
Rajasthan	30%	30%	40%
Tamil Nadu	30%	30%	40%
Telangana	30%	30%	40%
Tripura	30%	30%	40%
Uttar Pradesh	30%	30%	40%
Uttarakhand	**50%**	**30%**	**20%**
West Bengal	30%	30%	40%

Text in Bold Red **Deviation from standard contribution**

b) Implications of PM-KUSUM scheme:

The major beneficiaries of the PM KUSUM scheme are individual farmers, farmer cooperatives, panchayats, and Farmer Producer Organizations (FPOs). The scheme provides financial support for the installation of solar pumps and promotes sustainable agricultural practices.

State and central governments also benefit from the PM KUSUM scheme through decentralized solar power and subsidy reduction. The scheme supports broader socio-economic and environmental goals, contributing to sustainable development in rural areas.

1. **Reduction in Electricity Costs:** By installing solar-powered pumps, farmers can harness free solar energy, leading to substantial savings on electricity and fuel costs for both farmers and government.

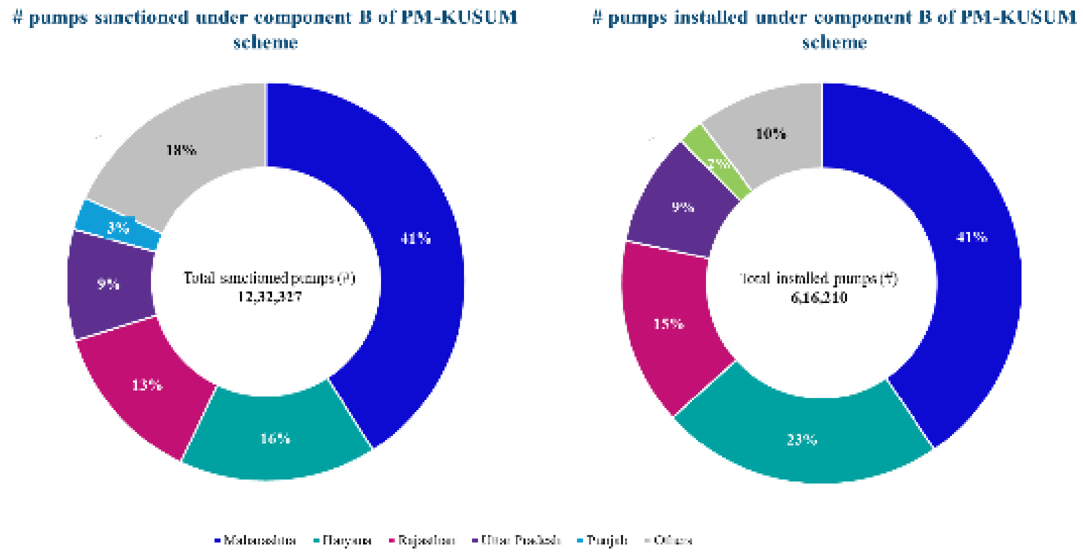
2. **Enhanced Irrigation Efficiency:** Solar pumps ensure a consistent water supply during the day, which is beneficial in regions with uncertain electricity supply during daytime. This reliability allows farmers to irrigate their crops more efficiently, leading to better crop yields and more consistent agricultural output.

3. **Energy Independence:** Solar installations provide farmers with greater control over their energy resources, reducing their dependency on grid power or expensive diesel generators.

4. **Long-term Financial Benefits:** Solar pumps and installations have low operational and maintenance costs compared to traditional diesel pumps. The long lifespan of solar equipment translates to lower long-term costs, further enhancing the economic viability for farmers.

c) 0.61M solar pumps are installed at ground level as per national portal data of MNRE / PM Kusum out of 1.23M solar pumps sanctioned as of Q3FY25

The installation under each component of the PM KUSUM scheme varies across states, with a focus on promoting renewable energy adoption in agriculture. The future visibility of the scheme includes scaling up solar capacity and enhancing energy efficiency in the agricultural sector.



Note(s): *As of 31st December, 2024
Source(s): PM-KUSUM website, 1Lattice analysis

As per the PM KUSUM website as of Q3FY25 out of the 1.23M sanctioned standalone solar pumps have been sanctioned by the government of which 0.61M (50%) pumps have been installed in addition, the PM Kusum Scheme focuses on the solarization of 3.50M existing grid-connected agricultural pumps and provides subsidies to individual farmers who have grid-connected pumps to retrofit their pumps with solar panels. While this is a significant achievement, it represents only a portion of the targeted 1.4M pumps. The PM Kusum Scheme is still in its early stage, indicating a significant untapped market for agri-solar pump installations. Maharashtra is one of the leading states in implementing PM KUSUM initiatives.

States like Maharashtra, Haryana, Rajasthan, & Uttar Pradesh and Punjab constitute ~82% of the total sanctioned pumps under component B of PM-KUSUM scheme. ~41% of the total installed pumps are installed in Maharashtra. Haryana & Rajasthan comprise of ~38% of installed pumps. Other major states include Jharkhand, Madhya Pradesh, Gujarat, Tamil Nadu etc. Rite Water has received LOA for the installation of 12,000 pumps from MSEDCL and an additional 12,500 pumps from MEDA in Maharashtra, totalling around 25,000 pumps.

d) PM KUSUM Project Execution Process

Understanding the project execution process of the PM KUSUM scheme involves detailing the steps involved in setting up decentralized renewable energy power plants, installing solar agriculture pumps, and solarizing existing grid-connected pumps.

The steps of project execution process are as follows:

1. **Farmer Interest Submission**: Farmers express interest in solar equipment and contribute 20-40% to the State Nodal Agency.

2. **MNRE Contribution:** The Ministry of New and Renewable Energy (MNRE) contributes 30% to the State Nodal Agency (controlled by the Central Government).

3. **State Government Contribution:** State governments contribute 30-50% to the State Nodal Agency. State governments also help in getting subsidized loans for farmers

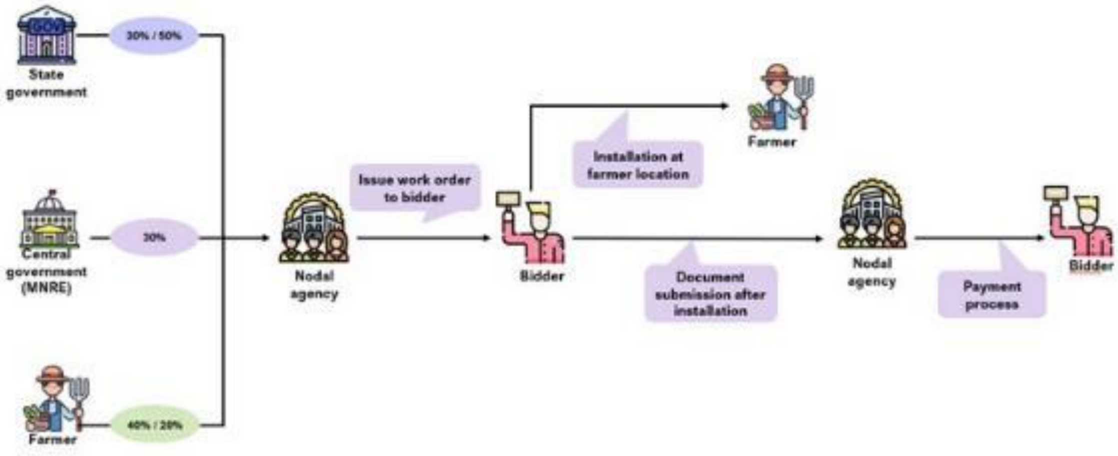
4. **Vendor selection:** The State Nodal Agency issues a tender and empanels vendors based on the bidding process. Once the portal opens, farmers can select from the list of these empanelled vendors, who have participated and been selected through the tender process

5. **Tender and Work Order:** The State Nodal Agency opens a tender and issues a work order to the selected bidder.

6. **Installation by Bidder:** The bidder supplies materials to farmers and completes the installation.

7. **Completion Report:** The bidder submits material, work order, and a completion report, including payment details.

State government contributes 30-50% to the nodal agency followed by central government (30%) and farmer (20-40%) for obtaining solar pumps



e) L2 and L3 Bidders have opportunity to participate in the supply process by providing goods at the price quoted by L1 bidder

- The terms L1, L2, and L3 refer to the ranking of bidders based on their bid amounts, where L1 is the lowest bidder, L2 is the second lowest, and L3 is the third lowest.
- The L1 bidder is the participant who offers the lowest price in the tendering process.
- Once the bids are evaluated, the L1 bidder is usually selected as the primary supplier for the project.
- The L1 bidder is mandated to supply the required goods or services at the price they quoted.
- The L2 bidder is the one who submits the second-lowest bid, while the L3 bidder submits the third-lowest bid.
- Although L2 and L3 did not offer the lowest prices, they may still have the opportunity to participate in the supply process by supplying the goods or services at the price quoted by the L1 bidder.

f) Different type of suppliers registered under PM Kusum Scheme

Parameters	EPC players	Pump Manufacturers	PV Module Manufactures	Integrated manufacturing players
Operations	• Outsource materials from vendors • Carry out only designing, commissioning and installation of entire pumping system	• Manufacture pump set and motor • Outsource PV modules from vendors • Carry out designing and commissioning of entire pumping system	• Manufacture PV modules • Outsource pump set and motors from vendors • Carry out designing and commissioning of entire pumping system	• Manufacture entire pumping system including pump set, motor and PV modules • Carry out designing and installation of entire pumping system
Manufacturing capabilities	• No manufacturing capabilities	• Partially integrated manufacturing capabilities	• Partially integrated manufacturing capabilities	• Fully integrated manufacturing capabilities
Companies	GV ENERGY; Rite water SOLUTIONS	SHAKTI; C.R.I. PUMPS	TATA POWER SOLAR	OSWAL PUMPS & MOTORS

Key advantages of EPC player: - The industry is characterized by a diverse range of players, across photovoltaic (PV) module and pump manufacturers and engineering, procurement, and commissioning (EPC) companies. EPC players such as Rite Water Solutions, operate on asset light model by outsourcing the manufacturing capabilities. They procure all critical parts, including the pumping system and PV modules, from third parties and add value in designing, commissioning, and installing the systems, allowing them to scale up rapidly

g) Key tenders for solar pumps by various state nodal agencies beyond PM Kusum scheme

Some of the key tenders by the state nodal agencies of different states are as follows:

- Maharashtra: Bids for installation and commissioning of 50,000 submersible solar water pumping systems were invited by Maharashtra Energy Development Agency (MEDA) in 2022.
- Haryana: Haryana Renewable Energy Development Agency (HAREDA) invited bids for installation and commissioning of 24,484 solar water pumping systems of different capacities in 2024
- Chhattisgarh: Tender for bidding for installation and commissioning of 20,000 submersible solar water pumping systems of different capacities was issued by Chhattisgarh Renewable Energy Development Agency (CREDA) in 2024.
- Jharkhand: Bids for installation and commissioning of 8,000 submersible solar water pumping systems were invited by Jharkhand Renewable Energy Development Agency (JREDA) in 2024.
- Punjab: The Punjab Energy Development Agency (PEDA) has opened applications for 20,000 solar pumps across the state under the PM-KUSUM scheme, aiming to promote sustainable agriculture and reduce reliance on diesel pumps in 2024.

Overview of Mukhyamantri Saur Krushi Vahini Yojana 2.0

The Government of Maharashtra (GoMH) launched the Mukhyamantri Saur Krushi Vahini Yojana (MSKVY) in CY17 to improve electricity supply for agricultural consumers by installing decentralized solar projects (2 MW to 10 MW) within a 5 km radius of agriculture-dominated substations. It was further enhanced to "Mukhyamantri Saur Krushi Vahini Yojana 2.0" (MSKVY 2.0) in CY23, aiming for 30% feeder solarization by FY25 under 'Mission 2025" through the implementation of 7,000 MW of decentralized solar projects.

This plan involves fast-tracking the installation of decentralized solar projects ranging from 0.5 MW to 25 MW within a 5-10 km radius of agriculture-focused substations, providing daytime power to farmers while promoting sustainable energy solutions. Additionally, farmers can lease barren land for these projects, offering them a new source of income.

Key features of MSKVY 2.0

- Solar Parks: The first solar park under this initiative, with a capacity of 3 MW, has been launched in Dhondalgaon village. This project will supply daytime electricity to approximately 1,753 farmers connected to five electric feeders.
- De-risking measures: A GIS data room offers detailed land info, and a single-window clearance simplifies approvals. Projects are tagged under KUSUM-C for CFA benefits with payment security.
- Innovative structures: SPVs are used for Revenue land, with models like private-revenue land grouping, lease-sublease & PPA–PSA setups. Common evacuation lines & a dedicated nodal agency streamline project management
- Capacity Development: Maharashtra State Electricity Distribution Company Limited (MSEDCL) plans to implement 9,200 MW of solar energy projects by CY25, supported by grants, to meet rising energy demands & advance sustainability goals

Key benefits of MSKVY 2.0

Reliable Daytime Power Supply	Financial Incentives for Farmers	Focus on sustainability	Economic growth
• Ensures a consistent daytime electricity supply, crucial for agriculture & irrigation, addressing the longstanding issue of unreliable nighttime power	• Farmers can lease their barren land for solar projects, earning INR 50K per hectare annually with a 3% yearly increase, offering income for non-cultivating farmers	• Promotes solar energy, helping reduce carbon emissions and support sustainable agriculture, while advancing Maharashtra's renewable energy goals	• Govt aims to install 7,000 MW of solar capacity by 2025, creating jobs & boosting local economies through increased energy production & agricultural productivity

The GoMH has allocated INR 1,244 Cr for the MSKVY2.0 scheme, with annual benefits from GST on capital expenditure & operations amounting to INR 2,478 Cr

The GoMH aims to achieve a capacity of 7,000 MW by CY25 with a total project lifecycle budget of INR 1,244 Cr. This includes early commissioning generation incentives of INR 0.15/kWh for 33 kV projects & INR 0.25/kWh for 11 kV projects for three years with a total allocation of INR 682 Cr. Additionally, MSEDCL will receive a system strengthening grant of up to INR 25L per substation with an INR 351 Cr budget, and Gram Panchayats will benefit from a social grant of INR 5L per project annually with a total budget of INR 211 Cr.

Additionally, the project will also generate significant revenue through Goods and Services Tax (GST), with an estimated INR 1,533 Cr from capital expenditure & INR 945 Cr from annual operations and maintenance. These financial benefits add to the long-term viability and economic impact of the initiative.

Standard supply practices of pump manufacturer:

i. **Need assessment: Pump manufactures determine specific needs based on the application (e.g., type of fluid, flow rate, pressure requirements) and create detailed technical specifications including material, size, capacity, and special requirements.**

ii. **Market research: Pump manufacturers also conduct market research to identify potential opportunities within industries or countries. They analyse factors such as government-backed initiatives, emerging trends, and industry demands. This research helps them understand the market landscape and align their product development and marketing strategies accordingly.**

iii. **Vendor / supplier identification: Pump manufacturers identify potential vendors / suppliers based on their experience, track record, financial stability, technical capabilities, and compliance with relevant quality standards and certifications.**

iv. **Negotiation & contracting: Negotiate terms of purchase including price, payment terms, delivery schedule, warranty, and after-sales support between the manufacturer and the vendor / supplier. They finalize and sign the purchase agreement or contract.**

v. **Logistics & installation: The manufacturer coordinates the delivery schedule and inspect pumps for compliance with specifications and contract terms. The manufacturer also arrange for installation and conduct performance testing to ensure proper operation at the installation site, particularly in case of solar pumps.**

vi. **Payment & post-installation support: Post-installation support provided by the manufacturer includes troubleshooting, providing repair services, ensuring spare parts availability, processing warranty claims, collecting feedback, and developing a proper maintenance schedule.**

Vendor registration process under various scheme

The vendor registration process under various government schemes is designed to facilitate the participation of businesses, especially Micro and Small Enterprises (MSEs), in government procurement. These registrations are designed to streamline the procurement process, ensure transparency, and facilitate the participation of businesses in government contracts. The registration process typically involves creating an account on specific government portals, submitting required documentation such as business registration certificates, compliance certificates, and financial statements, and undergoing verification by relevant authorities. Key schemes like the Government e-Marketplace (GeM), MSME Registration, Startup India, and others offer distinct benefits including access to government tenders, financial assistance, and promotional support. By registering under these schemes, vendors can leverage opportunities for growth, gain access to funding, and participate in government projects, thereby enhancing their business prospects and contributing to broader economic development goals. Below are key schemes:

- **PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi):** The Ministry of Housing & Urban Affairs has introduced the PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi) scheme to support and uplift street vendors through comprehensive development and economic enhancement. This initiative aims to provide collateral-free working capital loans of up to INR 10,000 with a one-year tenure to around 5M street vendors. The scheme is designed to help vendors restart their businesses in urban areas and nearby peri-urban or rural regions.

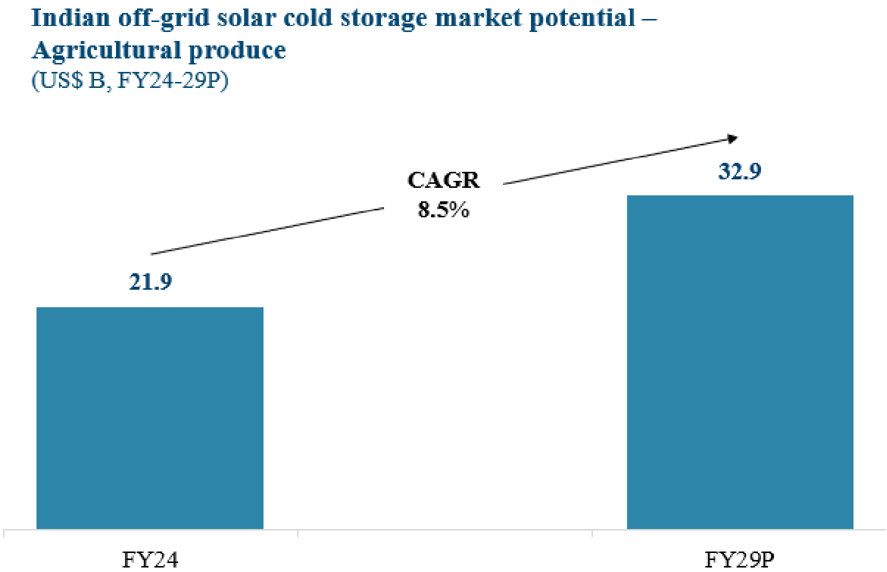
- **PM Surya Ghar scheme:** The vendor registration process under the PM Surya Ghar scheme aims to include Micro and Small Enterprises (MSEs) in the government's rooftop solar installation program. By facilitating their participation, the scheme promotes the involvement of small businesses in the solar market, thereby supporting their growth and integration into the government's procurement ecosystem.

- **MSME Registration (Udyam Registration):** Registered MSMEs are eligible to participate in government tenders, which broadens their business opportunities and allows them to compete for government contracts. This eligibility supports micro, small, and medium enterprises by providing various benefits, including subsidies, tax relief, and easier access to credit.

- **Government e-Marketplace (GeM):** This access greatly enhances opportunities for vendors to present their products and services, potentially boosting sales. The registration process simplifies the selling experience by reducing the administrative burden associated with traditional procurement methods. Vendors can easily register, list their products, and manage orders through an intuitive interface, streamlining interactions with government entities.

The Indian off-grid solar cold storage market potential for agricultural produce is ~US$ 22B in FY24 and is projected to grow at a CAGR of 8.5% to reach ~US$ 33B by FY29P

Solar cold storage solutions are becoming increasingly relevant in India, addressing key challenges in agriculture, energy access, and sustainability. Perishable agricultural produce like fruits and vegetables requires consistent cooling temperatures throughout the supply chain, from storage to transportation. Due to weak cold chain infrastructure, ~16% of fruits and vegetables are wasted every year. Solar cold storage provides a sustainable and efficient solution to reduce these losses, presenting significant market potential.



Source(s): Department of Agriculture and Farmers' Welfare, NABARD, 1Lattice analysis

The Indian off-grid solar cold storage market potential for agricultural produce is ~US$ 22B in FY24 and is projected to experience significant growth at a CAGR of 8.5% to reach ~US$ 33B by FY29P. The production of fruits and vegetables is projected to reach ~132MT and ~241MT respectively by FY29, growing at a CAGR of 3.3% between FY24-29. The Indian consumption basket is also projected to shift increasingly towards more nutritious and high-value commodities, such as fruits, vegetables, and dairy products, moving away from staple foods like cereals in the coming years.

Growth drivers for solar cold storage

The growth of solar cold storage is driven by increasing demand for fruits and vegetables, cost-effectiveness, reliability, sustainability, and supportive government incentives and policies.

Key growth drivers	
Rising demand for fruits and vegetables	• By the end of FY31, demand for fruits and vegetables will increase up to 140MT and 242MT respectively
Cost effectiveness	• Solar cold storage facilities are more economical in operational costs compared to diesel generators
Reliability	• Reduces dependency on electricity supply in rural areas where frequent power outages disrupt consistent energy supply
Sustainability	• Utilization of solar cold storage facilities can reduce reliance on diesel generators or coal-based electricity, leading to lower carbon emissions
Government incentives and policies	• Indian government is actively supporting decentralized cold storage solutions to address the challenges faced by the agricultural sector

Indian government policies and initiatives

- The **Ministry of New and Renewable Energy (MNRE)** has recently released draft design specifications for solar cold storage, highlighting the government's dedication to utilizing renewable energy for the preservation of agricultural products

- Recently **Bihar Renewable Energy Development Agency (BREDA)** has invited proposals for the design, installation, and maintenance of **10 MT solar cold storage units** in Bihar

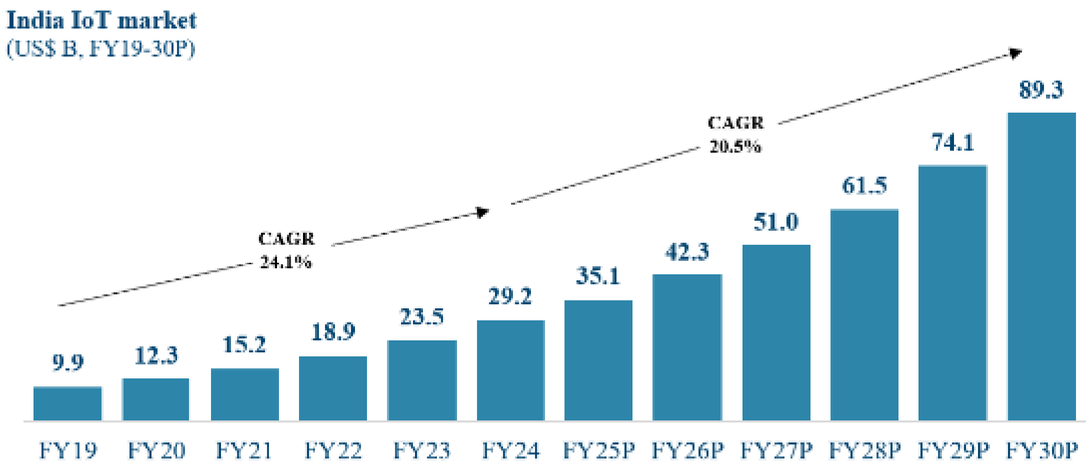
- **Odisha Renewable Energy Development Agency (OREDA)** in FY23 invited bids to empanel firms for installing **38 solar-powered cold storage units** (10 metric tons), aimed at extending crop shelf life and boosting farmers' income through renewable energy solutions

- Integrated **Cold Chain and Value Addition Infrastructure scheme** offers seamless cold chain and preservation facilities from farm to consumer, prioritizing the development of cold chain infrastructure at the farm level

Indian IoT market overview

Market size overview & growth outlook

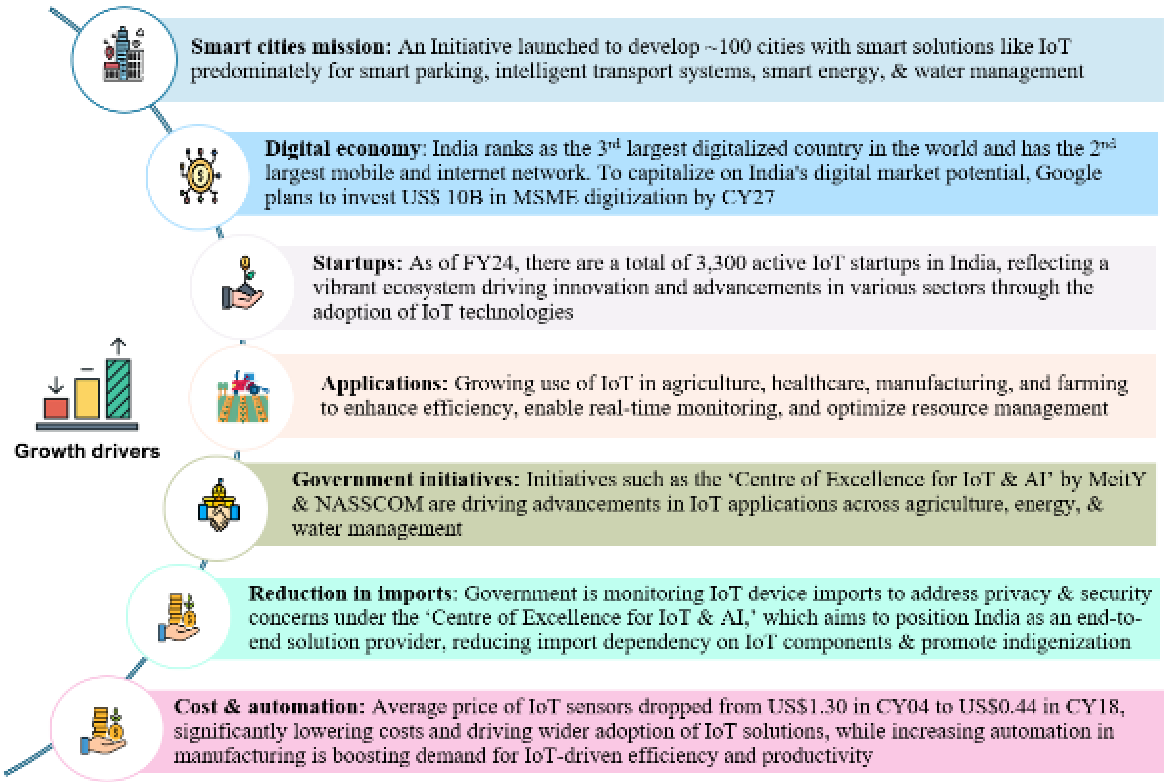
The India IoT market has demonstrated significant growth, as indicated by a CAGR of 24.1% from FY19 to FY24, expanding from ~US$ 10B to ~US$ 29B. This upward trajectory is anticipated to continue at a CAGR of 20.5%, leading to a projected market size of ~US$ 89B by FY30. The steady rise in the market is largely due to the growing use of IoT technologies across different industries in India. This growth is supported by internet connectivity improvements, digital infrastructure expansion, & a stronger focus on implementing smart solutions. These trends suggest that IoT will play a crucial role in driving the growth of India's digital economy in the coming years.



Source(s): NASSCOM, 1Lattice analysis

Growth drivers for IoT in India

The growth of the Indian IoT market is fueled by the smart cities mission, the expansion of India's digital economy, the rise of tech startups—especially in agriculture—and various government initiatives promoting IoT solutions. Government initiatives like the 'Centre of Excellence for IoT & AI' are also helping to advance IoT applications. Additionally, major investments from companies like Google & Microsoft, along with Indian firms like Tata Communications, L&T Technology Services, and Tech Mahindra, are further boosting the market's potential. Together, these factors are driving the rapid expansion of IoT in India.



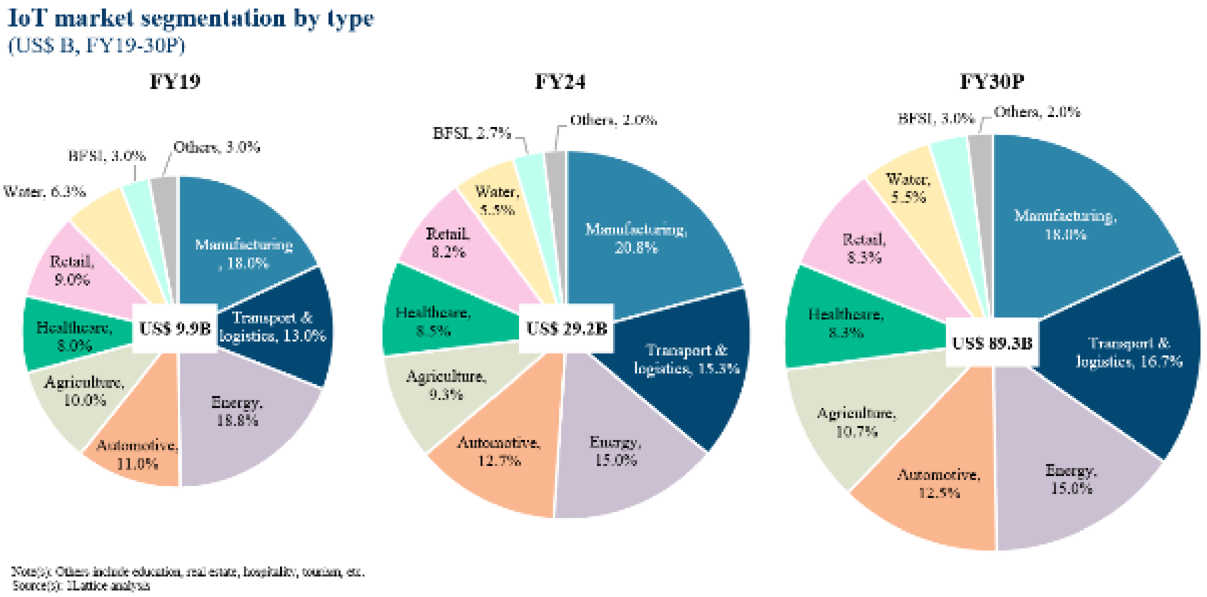
Market segmentations

The IoT market can be segmented into various categories. One category can be industry types that include manufacturing, transport & logistics, energy, automobile, agriculture, healthcare, retail, BFSI & others (education, real estate, hospitality, tourism, etc.). It can also be categorized based on market segment. This includes municipal, industrial & agriculture. The municipal segment encompasses the water and energy industries, where IoT is applied for smart water management, real-time monitoring, leak detection, smart grids, and energy optimization. IoT powers precision farming techniques in agriculture, such as smart irrigation, crop monitoring, and data-driven decision-making. The industrial segment consists of industries such as manufacturing, transport & logistics, automobile, healthcare, retail, BFSI, and others. These industries utilize IoT to enhance operational efficiency, streamline processes, and implement predictive maintenance and automation.

By type

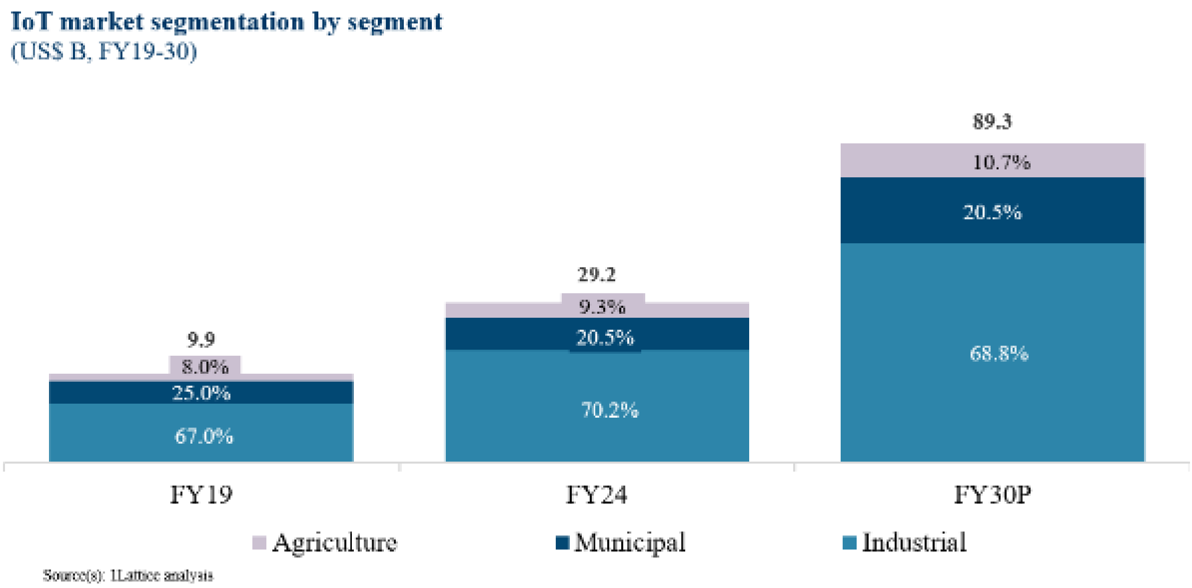
In FY24, the market share of the energy sector was 15.0%, along with agriculture at 9.3% & water at 5.5%. In manufacturing and logistics, Industry 4.0 initiatives are a key driver of IoT adoption. These sectors are among the leading adopters, leveraging IoT for improved efficiency, predictive maintenance, and supply chain optimization. The integration of IoT in transport vehicles for tracking and monitoring is particularly boosting growth in the logistics industry.

The water sector is set for significant expansion due to increasing global awareness around water conservation, resource optimization, and the rising demand for sustainable water management solutions, while both energy & agriculture are also anticipated to grow. The energy sector will benefit from the adoption of smart grids & renewable technologies, the agriculture sector will see rising demand for IoT solutions in crop management & precision farming. IoT adoption in agriculture is primarily led by integrated and corporate farmers using advanced techniques. IoT is enabling precision agriculture practices, smart irrigation, drone usage for crop monitoring, and data-driven farming decisions. Overall, IoT is becoming increasingly crucial in tackling industry challenges, promoting innovation, & advancing sustainable development.



By segment

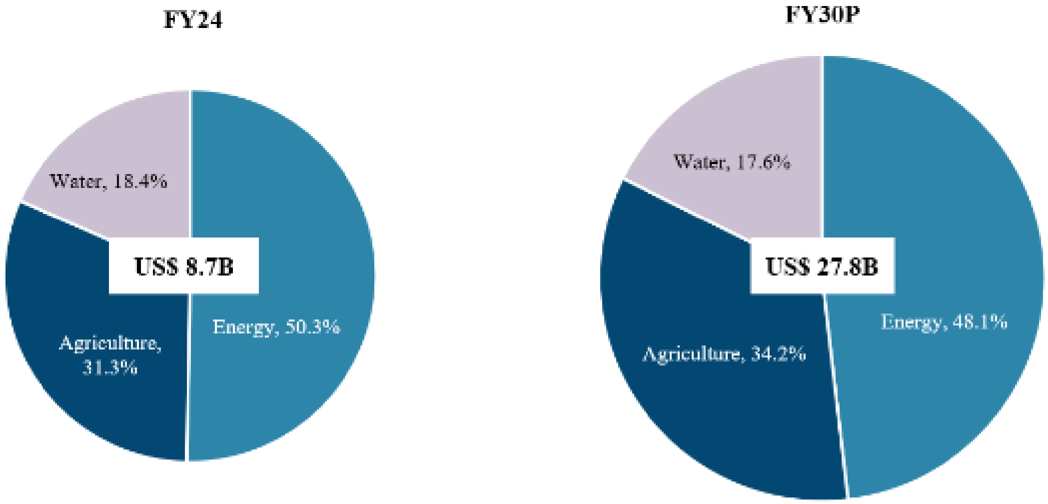
IoT market is expected to grow significantly, with the industrial sector becoming the dominant segment. The industrial sector had a share of 67.0% in FY19, while municipal & agriculture sectors had shares of 25.0% & 8.0% respectively. The market is driven by rising investments in smart city technologies, including intelligent transportation, smart waste management, & public safety solutions. The industrial sector will benefit from advancements in automation & predictive maintenance, while the agricultural sector will see increased demand for IoT solutions aimed at optimizing crop management & precision farming. Slower adoption of IoT solutions in municipal as this sector faced challenges such as budget constraints and infrastructure issues. Overall, the increasing relevance of IoT in addressing industry challenges & its role in fostering innovation, efficiency, & sustainable development.



Total addressable market for IoT solutions across water, agriculture and energy

The total addressable market (TAM) for IoT solutions in energy, agriculture, & water is projected to grow significantly with a CAGR of 21.4% from US$ 8.7B in FY24 to US$ 27.8B by FY30. The substantial growth projected for IoT in Energy and Agriculture is driven by several key factors. In the energy sector, the expansion is fueled by increasing demand for smart grid technologies, renewable energy integration, improved energy efficiency, and a focus on sustainability. For agriculture, the main drivers include the adoption of precision farming techniques, smart irrigation systems to address water scarcity, the use of drones and sensors for crop monitoring, and a shift towards data-driven decision-making to enhance productivity and profitability.

Total addressable market: Energy, agriculture, water
(US$ B, FY24 -30P)



Source(s): 1Lattice analysis

Demand outlook of IoT across types & segments

The future scope of IoT is immense as new technologies expand connectivity & data collection capabilities. IoT is expected to play a key role in addressing challenges, powering innovation & fuelling economic growth globally as well as in India in the coming years. Initiatives like the Jal Jeevan Mission & RDSS, along with technological innovations in smart metering & AI, are transforming water management, energy distribution, & agriculture in India. These advancements are enhancing efficiency, fostering innovation, & expanding IoT applications across key sectors.

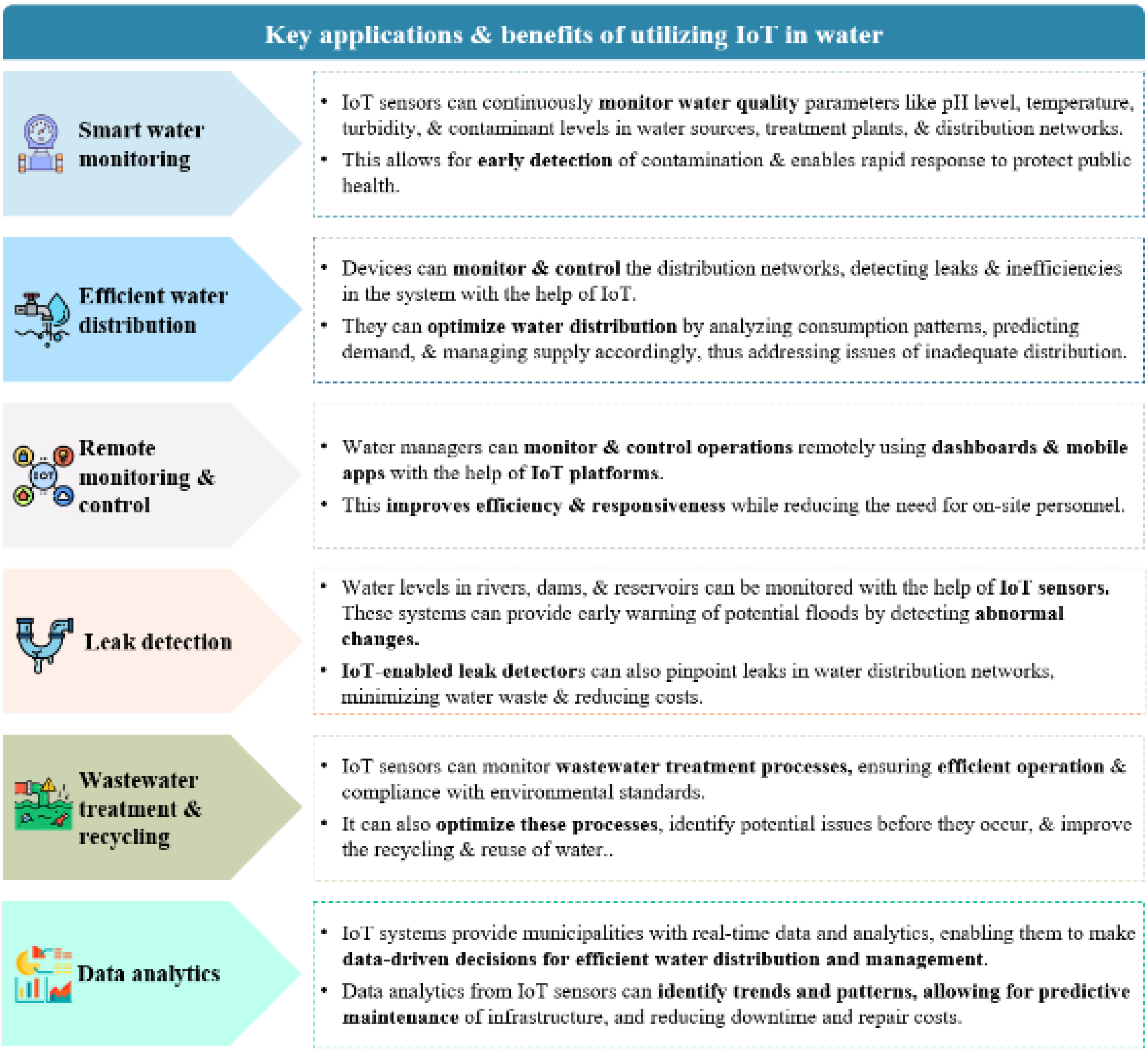
Demand outlook of IoT across types & segments	
Parameters	**Description**
Government initiatives	• Initiatives like **Jal Jeevan Mission** for water management, **RDSS** for energy distribution, & **NeGPA** for digital agriculture are driving IoT adoption across sectors. These efforts support smart infrastructure & innovation. • Under Budget 2024, the Ministry of Electronics and Information Technology received **INR 21,936 Cr, up from INR 16,549 Cr, to advance initiatives focusing on IoT**, cybersecurity, and the Digital India Programme
Technological advancements	• Rapid advancements in technologies such as AI, machine learning, & **real-time data analytics** are **expanding IoT applications**. • Innovations in smart metering, predictive analytics, & automated systems are enhancing **IoT's role** in managing water resources, **energy grids**, & agricultural practices.
Increasing industrial adoption	• Industries are increasingly **adopting IoT solutions** to optimize operations, reduce costs, & **enhance efficiency**. • According to a 2023 survey, **62% of manufacturers have adopted IoT technologies, with 76% planning further investments** to enhance operational agility and cost-effectiveness
Expansion of smart infrastructure	• The growth of IoT is driven by the deployment of **smart technologies** in areas like **energy grids**, water management, & **smart agricultural practices**. • The Indian government aims to develop **100 smart cities with an investment of INR 7,060 Cr**, supported by the Digital India Program to boost the IoT industry
Sector-specific adoption	• Different sectors are increasingly **utilizing IoT** to address specific needs. For instance, **smart grids** & energy management systems are vital for the energy sector, while **automated irrigation** & crop monitoring are **transforming agriculture**. • Each sector's unique requirements are driving **tailored IoT solutions**.

Key applications & benefits of utilizing IoT in water, energy, & agriculture

The energy sector includes companies involved in electricity generation, distribution, and grid management, utilizing IoT for smart grids and energy optimization. In agriculture, agritech firms, large farms, and equipment manufacturers leverage IoT for precision farming, smart irrigation, and crop monitoring. The water sector comprises water utilities and wastewater treatment companies, using IoT for smart metering, leak detection, and real-time water management. These industries benefit from IoT's ability to enhance efficiency and drive innovation.

Applications & benefits of utilizing IoT in water

Utilizing IoT in water management brings significant advancements in monitoring, distribution, & treatment processes. In traditional water management systems, detecting leaks would often require manual inspections, leading to delays in identifying and fixing the issue. By deploying smart sensors & real-time analytics, IoT enables efficient water quality monitoring, leak detection, & optimized distribution networks, ensuring safe, sustainable, & cost-effective water management. It also supports remote monitoring, flood prediction, & wastewater treatment, enhancing overall operational efficiency & environmental compliance.

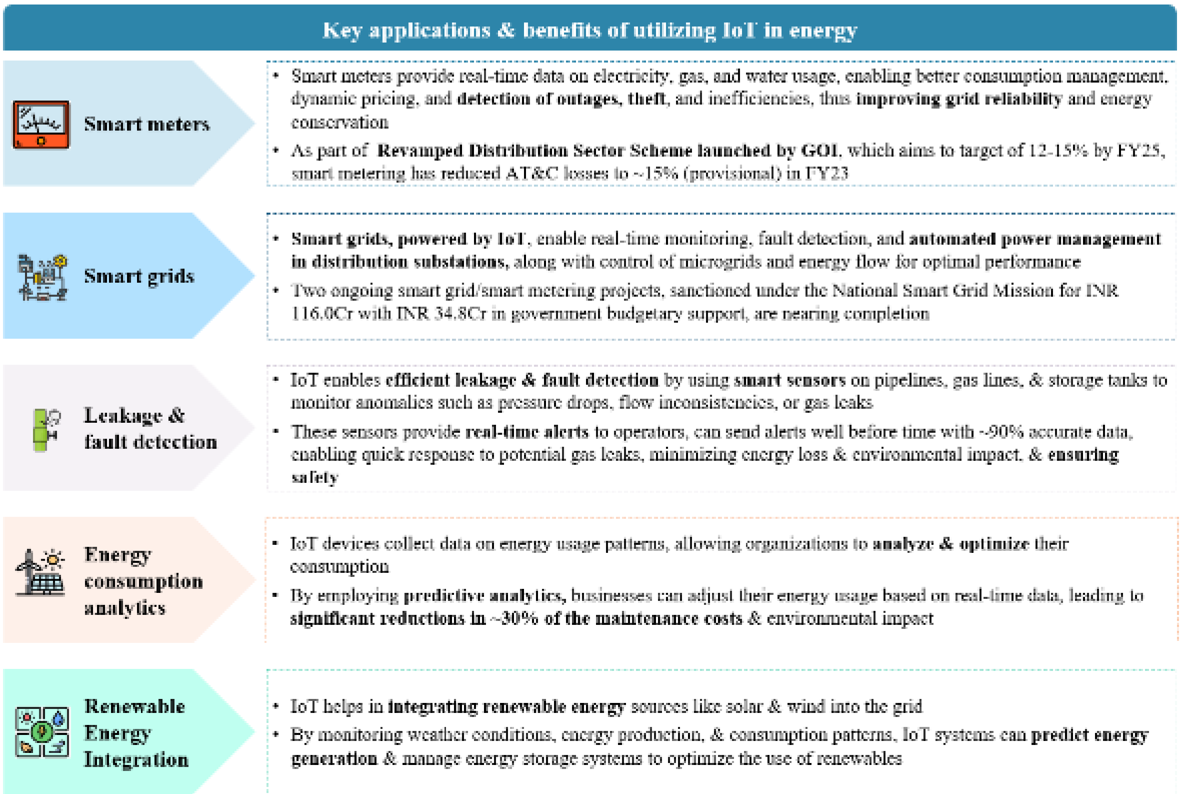


Applications & benefits of utilizing IoT in energy

IoT is revolutionizing the energy sector by enabling smarter management of resources through real-time monitoring, data analytics, & automation. Before IoT, energy grids operated on static schedules, often leading to over or under-utilization of energy. Now, IoT-powered smart grids allow energy providers to dynamically adjust distribution based on real-time consumption patterns. For instance, during peak hours, smart grids redistribute energy more efficiently, preventing blackouts and saving operational costs.

Key applications like smart meters, smart grids, oil or gas leakage detection system, and distribution substation monitoring optimize energy usage, reduced costs, & improved grid reliability. Additionally, IoT facilitates the seamless integration of renewable energy, enhancing sustainability & efficiency across the energy ecosystem.
The Revamped Distribution Sector Scheme (RDSS) complements IoT applications by supporting the modernization of distribution infrastructure, such as smart meters and automated feeders. It was launched by the Government of India, RDSS aims to improve the operational efficiency and financial sustainability of power distribution companies (DISCOMs), with a

budget outlay of INR 3.03T (US$ 37B) over five years. This integration enhances grid reliability, reduces losses, and enables dynamic pricing models, contributing to improved energy efficiency and sustainability across the sector.

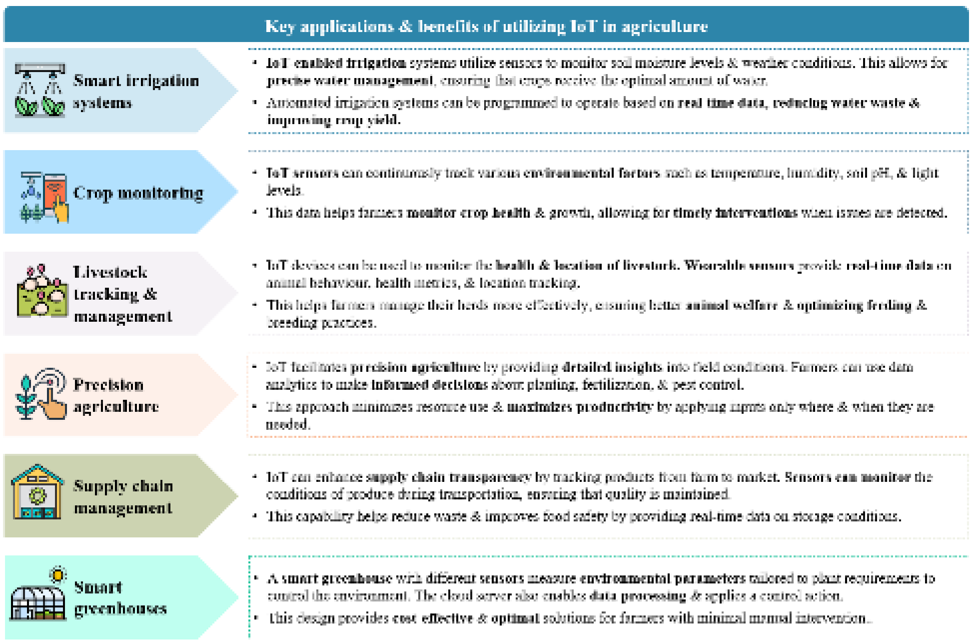


Applications & benefits of utilizing IoT in industries

IoT integration in industrial processes is transforming manufacturing by enhancing efficiency and productivity. Before IoT integration, industrial processes relied on manual interventions and scheduled maintenance, leading to inefficiencies and costly breakdowns. For instance, factory machines needed human operators for adjustments, while maintenance was conducted at set intervals, often too late or too early. After adopting IoT solutions, companies like Siemens have created smart factories where machines autonomously communicate to optimize production processes, increasing output without additional manpower. IoT sensors now enable predictive maintenance, allowing manufacturers to identify potential failures in advance, thus minimizing downtime and enhancing overall efficiency and resource management.

Applications & benefits of utilizing IoT in agriculture

IoT in agriculture enhances efficiency & productivity through advanced data collection & automation. By integrating smart sensors & devices, IoT enables precise monitoring of soil conditions, weather patterns, & crop health. Benefits include optimized water use with smart irrigation, improved crop yields through targeted interventions, better livestock management, & streamlined supply chain operations, ultimately leading to reduced resource waste & increased sustainability in farming practices.



Applications & benefits of utilizing IoT in municipal

- **Smart traffic management systems:** These systems utilize a mesh of IoT sensors to monitor & control city traffic flow dynamically, allowing for adaptive signal changes that reduce wait times & improve overall traffic movement. By integrating data on vehicle types & speeds, cities can optimize traffic patterns, significantly reducing emissions & saving time for commuters, creating more sustainable & efficient urban environments.
    - Cities without IoT-enabled traffic management face high congestion and emissions due to static signal timings. By implementing IoT traffic systems in Barcelona, the city reduced traffic congestion by 25%, improving commute times and reducing carbon emissions.
- **Waste management & optimization**: IoT sensors can monitor the amount of waste stored in trash cans & recycling bins & determine the most effective pick-up routes for waste management firms or public services. Smart waste management can help in increasing efficiency & cutting costs.
- **Utility management:** IoT-equipped smart solutions enable citizens to save their money on home utilities with:
    - **Energy management**: IoT sensors can be installed in buildings & homes to monitor energy usage & optimize energy consumption, reducing costs & carbon emissions.
    - **Smart lighting**: IoT sensors can be installed in streetlights to adjust the lighting level based on ambient light, reducing energy consumption & pollution.
    - **Water management**: IoT sensors can be installed in water distribution systems to monitor water quality, detect leaks, & optimize water usage, reducing costs & conserving resources.
- **Environmental well-being:** IoT-powered solutions help municipalities remotely monitor environmental conditions. For instance, sensors are attached to water grids to inspect their quality & trigger notifications in case of leakages or changes in the chemical composition of water. The same technology is also used for measuring air quality in areas prone to pollutants & is critical to recommending solutions that improve air quality.
- **Public safety monitoring:** The installation of IoT-based surveillance cameras & smart sensors in public spaces can monitor crowd density, detect unusual activities, & enhance public safety & security. This approach exemplifies IoT solutions for smart cities, where technology aids in creating safer environments.

Key market threats and challenges for IoT across applicable types & segments

IoT is transforming various sectors by connecting devices & enabling data-driven decision-making. However, its widespread adoption faces several key challenges, including data security, regulatory compliance, environmental conditions, public perception, & a shortage of skilled professionals. The IoT sector, characterized by technological evolution and heightened regulatory attention around data privacy and cybersecurity, is also sensitive to market adoption rates and legislative shifts. Any slowdown in the adoption of IoT technologies, increased regulatory constraints, or heightened cybersecurity requirements could dampen demand for their IoT-enabled solutions. Addressing these challenges is crucial for successful IoT implementation across different types & segments.

- **Data security & privacy:** IoT devices often collect sensitive data & ensuring data security against breaches & unauthorized access is a challenge across all sectors. Privacy concerns arise, especially in municipal & industrial applications.
- **Data management, storage, & analysis**: The sheer volume of data generated by IoT devices across different sectors requires robust data management solutions, including real-time processing, storage, & analytics. Extracting actionable insights from this data can be complex & requires advanced analytics & machine learning capabilities.
- **Lack of Standardization**: The absence of agreed-upon specifications or protocols in the IoT industry results in incompatible systems, products, or processes, leading to confusion, inefficiency, and decreased interoperability. This lack of standardization complicates communication and data exchange between different devices and systems, making it challenging to secure IoT devices consistently. Establishing uniform standards and protocols can help overcome these challenges and ensure compatibility across the IoT ecosystem.
- **Regulation, compliance, & governance:** Different sectors are governed by regional, national, & international regulations. IoT implementations must comply with these rules, which can be complicated & affect deployment timelines. Additionally, governance issues related to data ownership & management are also prevalent.

- **Complexity**: The IoT ecosystem encompasses multiple devices, sensors, networks, and platforms, resulting in a complex environment that can be challenging to manage and optimize.

- **Limited technical skills & resources:** Both industrial & municipal sectors may face a shortage of skilled professionals to manage, maintain, & optimize IoT systems. This gap in technical skills can hinder the effective adoption & use of IoT technologies.

- **Maintenance & infrastructure upgrades:** IoT devices & sensors require regular maintenance to function properly. Upgrading existing infrastructure to support IoT solutions (e.g., smart grids, smart water management systems) involves high initial investment costs, time, & effort.

- **Cross-sectoral collaboration & coordination:** Effective IoT implementation often requires collaboration between various stakeholders, including government bodies, private companies, & communities. Coordinating across these different entities to achieve a cohesive IoT strategy can be challenging.

- **Environmental & operational challenges:** IoT devices deployed in agriculture, water, & energy segments often face harsh environmental conditions such as extreme temperatures, moisture, dust, & chemical exposure. Ensuring device durability & operational reliability in these environments is a common challenge.

Key stakeholders / decision makers in the IoT procurement process

The successful implementation of IoT technologies involves a diverse range of stakeholders across both B2B and B2C levels. In B2B, large organizations like government bodies, industrial enterprises, and agri-businesses drive adoption to enhance resource management and operational efficiency. On the B2C side, individual consumers, including small businesses, households, and farmers, utilize IoT solutions to optimize their utility consumption, reduce costs, and improve everyday processes.

Key stakeholders / decision makers in the IoT procurement process	
Government stakeholders	• **Procurement officers:** Responsible for **evaluating and purchasing IoT solutions** for large-scale projects like smart cities, infrastructure, utilities, and energy distribution • **Government bodies:** Oversee the **acquisition of IoT technologies** for improving resource management, public services, energy distribution, and water utilities. For instance, the Smart Meter National Programme is being implemented by Energy Efficiency Services Limited (EESL) to deploy smart meters across the country • **Planning committees:** Focus on **integrating IoT solutions for smart infrastructure projects**, utility grids (electricity, water), and energy management to enhance operational efficiency
Industrial stakeholders	• **Chief Technology Officers (CTOs) / IT managers:** Drive the **adoption of IoT solutions to optimize operations** within industrial sectors, enhancing resource efficiency and cutting costs • **Operations and maintenance managers: Purchase IoT-enabled systems for monitoring equipment**, predictive maintenance, and utility management (e.g., energy, water) to maintain efficiency in manufacturing and logistics • **Supply chain & logistics managers: Adopt IoT solutions for monitoring** utilities like fuel and energy usage in logistics processes, improving fleet management and inventory tracking
Agricultural stakeholders	• **Large agribusiness owners / individual farmers:** Invest in IoT for precision farming, crop monitoring, and efficient resource management to optimize yields on farms of all sizes • **Irrigation system managers: Purchase IoT solutions for managing utility consumption** (especially water) in large-scale farming, enhancing irrigation efficiency and resource management • **Agricultural researchers & policymakers: Collaborate with IoT developers and agribusinesses** to address utility-related challenges (energy, water) and optimize farming practices, addressing large-scale agricultural problems
Household stakeholders	• **Public utility service providers: Purchase and deploy IoT technologies** to manage and monitor utility services (e.g., smart meters) for end consumers, improving public service delivery and resource management • **Local government bodies: Implement IoT solutions for managing utilities** like water and electricity in residential areas, ensuring efficient distribution and better customer experience for households • **Retail stakeholders:** Retail business owners implement IoT solutions for inventory management and energy optimization, while consumers benefit from smart home devices that enhance energy management and provide personalized shopping experiences

Key Players in IoT across industries

The IoT refers to the network of interconnected devices embedded with sensors and technologies that enable data exchange and automation. IoT exemplifies diverse operational efficiencies across industries.

- Honeywell Forge is a specialized SaaS solution built on a native edge-to-cloud, data-driven architecture, designed to accelerate the digital transformation of operational processes.

- Genus Power has established itself as an expert in delivering innovative solutions, revolutionizing energy management with its IoT-enabled meters and advanced technology. These solutions provide precise data, optimize grid operations, and drive cost savings.

- L&T Smart World has showcased customized IoT-driven 5G solutions for industry verticals, leveraging its domain expertise and disruptive technologies like IoT, AI/ML, geospatial, cloud, and computer vision.

- Stellapps offers a range of IoT and cloud-based solutions, including animal health monitoring, milk procurement, cold chain monitoring, and data analytics.

- IoTfy's Chip-to-Cloud IoT and AI ecosystem enables smart control and monitoring for almost any product category.

- **Ceinsys Tech** specializes in IoT-driven smart technologies and analytics, delivering solutions in sectors such as water, energy, agriculture, oil and gas, transportation, and telecom.

- Altiux innovation is a software and product engineering services firm that accelerates IoT solution development & provides specialized services throughout the IoT lifecycle, including consulting, device engineering, cloud and mobile app development, data analytics, and support.

Major IoT players in agriculture

IoT in agriculture, or smart farming, leverages sensors to monitor crop fields and automate irrigation, allowing farmers to track conditions remotely. This system is highly efficient compared to traditional farming methods, optimizing resource use like water and inputs. These IoT solutions revolutionize agriculture by improving efficiency and sustainability.

- Companies like **CropIn** offer decision-making tools for agri-businesses, providing real-time data to predict trends and digitize farm management.

- Rite Water's IoT-based soil monitoring solutions empower farmers with real-time data on soil health and moisture levels, optimizing resource use and enhancing crop yields for sustainable agriculture

- **Stellapps** offers a range of IoT and cloud-based solutions, including animal health monitoring, milk procurement, cold chain monitoring, and data analytics.

- **Agdhi** combines IoT with AI and Machine Learning to promote sustainable farming

- **Intello Labs** uses AI and computer vision to digitize food quality assessments, reducing wastage.

- **GramworkX** enhances crop productivity with data-driven irrigation predictions, optimizing water usage through advanced algorithms.

Major IoT players in energy

In the energy IoT space, companies like Siemens AG and GE Digital lead the way with cutting-edge solutions.

- **Genus Power** has established itself as an expert in delivering innovative solutions, revolutionizing energy management with its IoT-enabled meters and advanced technology. These solutions provide precise data, optimize grid operations, and drive cost savings. **Rite Water's** IoT monitoring system for distribution substations optimizes power supply management and decision-making while providing transparent status updates through cost-effective automation technology

- **Zenatix** provides IoT-powered automation and monitoring solutions for commercial buildings. Their end-to-end, wireless-first, plug-and-play technology enhances energy efficiency, occupant comfort, and asset management in buildings.

- **L&T Technology Services** delivers innovative solutions for product design, industrial automation, equipment maintenance, and safety. They enhance renewable integration through fuel cell applications, smart grids, and data centers, promoting efficiency and sustainability in energy management.

- **Ceinsys** offers reliable GIS-based energy solutions that are enabling energy companies to strengthen operations, improve equipment performance, and better manage assets.

- **PsiBorg** specializes in IoT solutions for the energy and utility sector, focusing on smart meters, equipment health monitoring systems, and predictive maintenance solutions.

- **Ambee's** IoT devices feature low-cost, modular sensors for continuous environmental monitoring, tailored to specific business needs and has expertise in creating large-scale, reliable IoT sensor networks for continuous monitoring and data acquisition.

- **Siemens AG:** Offers smart grid technologies and IoT-enabled energy optimization systems, focusing on sustainability and efficiency in industries.

- **GE Digital:** Leverages platforms like Predix to optimize asset performance and energy distribution through digital energy solutions.

- **IBM (Watson IoT):** Provides advanced data analytics to monitor and optimize energy usage across various sectors.

- **Cisco:** Enhances energy management with robust networking infrastructure and IoT advancements.

- **Honeywell & Schneider Electric:** Focus on sustainability with IoT-enabled systems to optimize energy performance.

- **Johnson Controls:** Contribute with innovative energy management solutions, targeting grid reliability and building efficiency.

Major IoT players in water

In the water management IoT sector, companies like Rite Water & Kritsnam partners are delivering innovative solutions to address pressing challenges.

- **GE Power:** Provides software solutions for water and wastewater management, partnering with Smart Cities Council and Imagine H2O to address emerging water challenges.

- **Rite Water's** IoT solutions enable real-time monitoring of water usage, optimizing distribution and ensuring timely delivery while minimizing waste. Their scalable technology addresses unique regional water management needs, promoting sustainable water use for a better future.

- **Ceinsys** delivers smart water management solutions, addressing challenges like depleting resources and aging infrastructure. It helps in optimize water resources, infrastructure, and wastewater treatment for sustainable use.

- **Kritsnam partners** with businesses to implement scientific water management for sustainability. Its flagship product, **Dhaara**, is a data-driven tool that saves water and reduces costs. **Dhaara Live** enables efficient viewing, tracking, and analysis of water usage.

- **Biz4Solutions** provides IoT-based smart water systems offer enhanced transparency and control, ensuring improved water quality and system efficiency.

- **RONDS technologies** water meters help streamline water usage by identifying excess consumption and promoting conservation. Our software enables users to plan, monitor, and control water consumption periodically, along with features for remote billing and predictive forecasting.

- **Schneider Electric:** Offers IoT-based solutions like EcoStruxure for enhancing operational performance and resource consumption in water management; collaborates with SUEZ to accelerate digital transformation for water operators.

- **ABB Ltd.:** Delivers smart wastewater treatment solutions that improve water quality and reduce environmental impact, evidenced by projects in drought-affected areas like Koppal, India.

- **Bentley Systems:** Provides digital solutions for managing urban water infrastructure, utilizing predictive analytics to optimize water systems; supports digital twin solutions for water utilities through investment in Digital Water Works.

- **Copperleaf Technologies Inc.:** Focuses on innovative software to manage aging water assets and regulatory challenges, recognized for its efforts in digital transformation.

Competition & financial benchmarking

Competitive benchmarking

Rite Water Solutions (India) Limited, established in 2004 in Nagpur, Maharashtra, is the only Clean-tech company in India with a diverse offering for rural transformation, focused on water solutions, solar agriculture solutions, and internet of things ("**IoT**") solutions for energy, agriculture, and water management sectors. The company is strategically positioned at the intersection of several growth sectors in India — water and waste water treatment, solar pumps, and IoT industry which are expected to grow at CAGR of 12.0%, 32.1% and 20.5% respectively from FY24 to FY30, respectively, with a total addressable market of US$ 37.1B for FY24.

As part of its Water offerings, the company offers a range of water treatment solutions, including electro chlorination plants, community water purification plants, fluoride, nitrate and arsenic removal plant for biological and chemical contamination, water treatment plants, water supply schemes. They focus on the potable water space, catering to water supply schemes with various public sector undertakings, state and central governments. The company played a key role in projects such as the Varanasi Ganga Cleaning initiative, utilizing methods like geo-tubes and ozonation to treat large-scale river pollution and sewage treatment. This project is a model that can be replicated across India, addressing one of the country's most pressing environmental challenges. Additionally, the company is one of the first in India to implement a large-scale nanotechnology-based arsenic removal plant, demonstrating our commitment to innovation and leading-edge technologies.

As part of its Solar offerings, the company has ventured into providing solar submersible and surface standalone agricultural pumps, solar cold storages, solar bulk milk chillers, Under the PM KUSUM scheme, the company provides solar irrigation pumps to farmers Additionally, Solar Cold Storage solutions offer post-harvest management, especially in remote areas. By implementing solar cold storage units, the company helps farmers preserve their produce. Leveraging experience of delivering solutions in rural and remote areas, company have recently forayed into the solar agriculture solutions, becoming one of the emerging players, with ~8.09K solar pumps installed as on December 31, 2024, leading Rite Water to have a ~2.85% share of out of 0.283M solar pumps installed between April-December 2024 period

Further, the company has also leveraged its rural execution strengths to become one of the early players in delivering IoT Solutions for large scale projects. As part of its IOT Energy offerings, the company has ventured into providing Substation Monitoring System to help monitor substation health and help in modernizing India's Energy Grid. As part of its IOT Water offerings, Rite Water is providing IOT Monitoring for projects covered under Jal Jeevan Mission for effective monitoring and tracking of various water parameters in the same. With product offerings across water, solar agriculture and IoT sectors, coupled with a focus on innovation and execution expertise, the company is well-equipped to continue driving sustainable solutions that contribute to India's infrastructure growth and social development

		Rite Water (राइट वॉटर)	Ion Exchange	WABAG	Shakti	Ceinsys	EMS	Enviro Infra Engineers Ltd. (EIE)
	Foundation date	2004	1965	1995	1982	1998	1998	2009
	Headquarters	Maharashtra	Maharashtra	Tamil Nadu	Madhya Pradesh	Maharashtra	Delhi	Delhi
Key offerings	Water	✓	✓	✓	×	✓	✓	✓
	Solar	✓	×	×	✓	×	×	✓
	IoT	✓	✓	×	×	✓	×	×
Segments	Municipal	✓	✓	✓	NA	✓	✓	✓
	Industrial	✓	✓	✓	NA	×	✓	✓
	Freshwater treatment	✓	✓	✓	NA	✓	×	✓
	Wastewater & recycling	✓	✓	✓	NA	×	✓	✓
Water treatment metrics	Water treatment plant capacity	26,142 m3/hr	NA	893 m3/hr	NA	NA	NA	32,667 m3/hr
	Number of plants installed	9,130+	100,000+	6,500+	NA	NA	NA	710
	Water treated	627 M L/day	NA	NA	NA	NA	NA	165 M L/day
	Wastewater treated	30 M L/day	NA	150 M L/day	NA	NA	NA	NA
Key products	Technology & key products	• Ozonation systems • Reverse osmosis system • Solar-electro chlorinator Electrostatic Disinfectant Spraying Machine • Mobile water ATMs • Gas chlorination system • Chemical dosing systems • Industrial water purification systems • Aquamentors	• Boiler water treatment • Cooling water treatment • Membrane technology • Water based resins • Wastewater treatment • Sludge dewatering • Ion exchange membrane process • Zero Liquid discharge	• Ozonation • Activated carbon absorption • Membrane bioreactor technology • Drinking water treatment • Desalination • Sludge treatment & energy recovery • Water reclamation	NA	• Geospatial engineering • Enterprise engineering • Hydraulic Modelling • DPR for Augmentation	• Design and construction of power transmission infrastructure • Design and construction of old and new sewerage • Design and construction of Sewage treatment plants	• Filtration and purification technologies • Optimize resource management • Activated Sludge Process • Extended Aeration System • Diffused Aeration System • Mixed Bed Biological Reactor • High Rate Anaerobic Digestor • Physico Chemical Treatment
	Solar-based & other solutions	• Smart farming solutions • Solar based water purification plants • Solar electrochlorinator technology • Solar cold storage • Solar pumps installations	NA	NA	• Solar pumps installations	NA	NA	

×	✓
No or limited presence	Presence

			Rite Water	Ion Exchange	WABAG	Shakti	Ceinsys	EMS	Enviro Infra Engineers Ltd.
Maintenance services		O&M and other services	• **Agri-IoT solutions** to leverage data-driven insights & increase crop yields, optimize resources **IOT – Substation Monitoring** • **Other services:** Design, Manufacture, Supply, Transport, Installation, Testing • **Complete system warranty**	• **Operations & Maintenance:** Consumables & spares • **Rehabilitation & modification** • **Remote monitoring system** • **Project financing**	• **Operations & maintenance:** Integrated water management city wastewater management	• **Operations & maintenance:** advanced water pumping solutions to a wide range of applications such as irrigation – flood and micro irrigation, horticulture, domestic water supply	• **Operations & maintenance:** Smart city solutions, spatial data infrastructure, vegetation management, disaster management, mobility virtual validation and mobility electrification	• **Operations & Maintenance:** Cross drainage, lift irrigation, Industrial parks, expressways, highways, bridges, power transmission and distribution projects, water treatment plants, water transmission and distribution systems, repair/renovation of existing road networks	• **Operations & Maintenance:** Preventive maintenance, tracking performance metrics, immediate technical support, troubleshooting, and emergency repairs
Others		CSR projects (If any)	• **Amrit Gram CSR Project:** Rite Water to transform rural infrastructure in **Bhugaon** • **Installation of solar pumps** and microgrids • **Installed solar cold storage** with chilled solar chillers • Setting up of water ATMs & treatment plant • **Jio Krishi App, & Agri Drones** • Implementing smart boards to improve education services	• **Sanitation in schools** • **Establishment of ROs training on operations & maintenance of water treatment**	• **Watershed development projects** • **Water augmentation project** • **Community water purification plants** restoration of irrigation system in one city • **Water treatment facility in** Munnar • **Micro irrigation plant** at 3 districts • **Construction of STP for The** Cancer Institute, Adyar, Chennai	• **Installation of Solar Pumps** Sets at Nalchha Mandu Dist. Dhar • **Sour Urja Utpadak Sahkari Project** Dundi, Gujarat • **Solar Pump 7.5 HP Installation** at IGNOU Delhi • **Installation Of Pumps Sets At South Central Railway** - Secunderabad/Hyderabad • **Installation of Solar System** Village Bhagwanpur Dist. Rewari HR • **Installation of Solar System** - Shri Umiya Kanya Mahavidhyalaya – Rau	• Providing social, educational and welfare amenities to orphans		• Enviro Vatsalya Foundation set up as CSR initiative with healthcare, environment, hunger & malnutrition, education, elderly support and animal welfare as its areas of work

Financial benchmarking:

Rite Water is the second fastest-growing company in the water sector in terms of revenue between Fiscal 2022 and Fiscal 2024 among the largest listed water sector companies, standing out with a strong EBITDA margin, improving from 11.32% in Fiscal 2022 to 34.77% in Fiscal 2024, reflecting operational efficiency and growth trajectory. Their growth is also supported by a notable lack of many players to address these challenges at the grassroots level, leaving a significant gap in the market. Rite Water is committed to driving operational excellence and sustainable growth in the water treatment sector.

Company revenue (INR M)	FY22	FY23	FY24	Revenue CAGR FY22-24 (%)
Rite Water Solutions (India) Ltd	768.14	1,194.34	2,027.49	62.46%
Enviro Infra Engineers Ltd	2,235.25	3,381.02	7,289.15	80.58%
EMS Ltd	3,599.17	5,381.62	7,933.11	48.46%
ITD Cementation India Ltd	38,090.15	50,909.10	77,178.70	42.35%
Ceinsys Tech Ltd	2,028.86	2,194.98	2,529.29	11.65%
Denta Water & Infra Solutions Ltd	1,195.72	1,743.00	2,385.98	41.26%
NCC Ltd	1,11,379.60	1,55,341.00	2,08,449.60	36.80%
Ion Exchange (India) Ltd	15,768.68	19,896.09	23,478.49	22.02%
Vishnu Prakash R Punglia Ltd	7,856.13	11,684.04	14,738.65	36.97%
SPML Infra Ltd	9,517.73	8,831.40	13,189.67	17.72%
Jash Engineering Ltd	3,675.63	4,019.86	5,156.70	18.45%
PNC Infratech Ltd	72,080.30	79,560.80	86,498.60	9.55%
Shakti Pumps (India) Ltd	11,785.35	9,676.83	13,707.39	7.85%
Va Tech Wabag Ltd	29,793.00	29,605.00	28,564.00	-2.08%
Hindustan Construction Company Ltd	10,668.26	8,269.00	7,006.71	-18.96%

Parameters	Company	FY22	FY23	FY24	Q3FY25
Total order book (INR M)	Rite Water Solutions (India) Ltd	1,587.39	3,663.42	16,377.60	17,231.34
	Ion Exchange (India) Ltd	26,740.00	34,300.00	35,460.00	NA
	Va Tech Wabag Ltd	1,01,070.00	1,32,190.00	1,14,480.00	NA
	Shakti Pumps (India) Ltd	NA	NA	24,000.00	20,700.00
	Ceinsys Tech Ltd	NA	NA	7,100.00	NA
	Enviro Infra Engineers Ltd	1,698.64	14,966.86	21,255.86	24,250.00
	EMS Ltd	NA	NA	18,000.00	NA
Revenue from operations (INR M)	Rite Water Solutions (India) Ltd	768.14	1,194.34	2,027.49	3,056.79
	Ion Exchange (India) Ltd	15,768.68	19,896.09	23,478.49	19,025.50
	Va Tech Wabag Ltd	29,793.00	29,605.00	28,564.00	21,378.00
	Shakti Pumps (India) Ltd	11,785.35	9,676.83	13,707.39	18,509.20
	Ceinsys Tech Ltd	2,028.86	2,194.98	2,529.39	NA
	Enviro Infra Engineers Ltd	2,235.25	3,381.02	7,289.15	6,656.48
	EMS Ltd	3,599.17	5,381.62	7,933.11	6,850.39
EBITDA (INR M)	Rite Water Solutions (India) Ltd	86.99	364.94	704.97	971.49
	Ion Exchange (India) Ltd	2,132.07	2,549.87	2,719.37	2,079.80
	Va Tech Wabag Ltd	2,369.90	3,178.00	3,757.00	2,807.00
	Shakti Pumps (India) Ltd	1,104.51	665.60	2,248.32	4,390.10
	Ceinsys Tech Ltd	221.95	317.19	440.72	NA
	Enviro Infra Engineers Ltd	500.23	816.87	1,693.22	1,608.42
	EMS Ltd	1,127.09	1,500.00	2,038.47	1,899.00
PAT (INR M)	Rite Water Solutions (India) Ltd	86.75	250.21	492.80	715.06
	Ion Exchange (India) Ltd	1,616.88	1,949.66	1,953.52	1,450.10
	Va Tech Wabag Ltd	1,320.60	110.00	2,504.00	1,953.00
	Shakti Pumps (India) Ltd	648.16	241.32	1,417.09	2,981.40
	Ceinsys Tech Ltd	95.19	308.87	349.99	NA
	Enviro Infra Engineers Ltd	345.49	553.39	1,085.70	1,030.59
	EMS Ltd	788.50	1,088.51	1,526.63	501.86
EBITDA (%)	Rite Water Solutions (India) Ltd	11.32%	30.56%	34.77%	31.78%
	Ion Exchange (India) Ltd	13.52%	12.82%	11.58%	10.93%
	Va Tech Wabag Ltd	7.95%	10.73%	13.15%	13.13%
	Shakti Pumps (India) Ltd	9.37%	6.88%	16.40%	23.72%
	Ceinsys Tech Ltd	10.94%	14.45%	17.42%	NA
	Enviro Infra Engineers Ltd	22.38%	24.16%	23.23%	24.16%
	EMS Ltd	31.32%	27.87%	25.70%	27.72%

Parameters	Company	FY22	FY23	FY24	Q3FY25
PAT (%)	Rite Water Solutions (India) Ltd	11.29%	20.95%	24.31%	23.39%
	Ion Exchange (India) Ltd	10.25%	9.80%	8.32%	7.62%
	Va Tech Wabag Ltd	4.43%	0.37%	8.77%	9.14%
	Shakti Pumps (India) Ltd	5.50%	2.49%	10.34%	16.11%
	Ceinsys Tech Ltd	4.69%	14.07%	13.84%	NA
	Enviro Infra Engineers Ltd	15.46%	16.37%	14.89%	15.48%
	EMS Ltd	21.91%	20.23%	19.24%	7.33%
ROE (%)*	Rite Water Solutions (India) Ltd	12.72%	26.85%	21.04%	23.39%
	Ion Exchange (India) Ltd	24.69%	23.33%	19.16%	NA
	Va Tech Wabag Ltd	8.65%	0.70%	13.73%	NA
	Shakti Pumps (India) Ltd	16.49%	5.77%	18.75%	NA
	Ceinsys Tech Ltd	5.57%	15.58%	14.95%	NA
	Enviro Infra Engineers Ltd	48.23%	43.61%	37.36%	NA
	EMS Ltd	20.54%	22.09%	19.07%	NA
ROCE (%)*	Rite Water Solutions (India) Ltd	9.81%	36.66%	27.22%	26.96%
	Ion Exchange (India) Ltd	26.08%	25.24%	20.09%	NA
	Va Tech Wabag Ltd	11.56%	17.23%	17.38%	NA
	Shakti Pumps (India) Ltd	18.40%	9.76%	24.48%	NA
	Ceinsys Tech Ltd	8.20%	10.67%	16.00%	NA
	Enviro Infra Engineers Ltd	53.82%	41.47%	31.14%	NA
	EMS Ltd	28.43%	27.24%	22.65%	NA
Receivable days (in days)*	Rite Water Solutions (India) Ltd	140	53	52	162
	Ion Exchange (India) Ltd	118	128	145	NA
	Va Tech Wabag Ltd	162	186	254	NA
	Shakti Pumps (India) Ltd	119	92	178	NA
	Ceinsys Tech Ltd	326	265	240	NA
	Enviro Infra Engineers Ltd	64	61	52	NA
	EMS Ltd	118	84	112	NA
Inventory days (in days)*	Rite Water Solutions (India) Ltd	15	20	37	74
	Ion Exchange (India) Ltd	42	41	37	NA
	Va Tech Wabag Ltd	4	4	5	NA
	Shakti Pumps (India) Ltd	67	78	79	NA
	Ceinsys Tech Ltd	2	7	1	NA
	Enviro Infra Engineers Ltd	14	11	18	NA
	EMS Ltd	55	71	41	NA
Cash Conversion Cycle (in days)*	Rite Water Solutions (India) Ltd	98	11	38	186
	Ion Exchange (India) Ltd	38	67	74	NA
	Va Tech Wabag Ltd	147	174	243	NA
	Shakti Pumps (India) Ltd	97	122	141	NA
	Ceinsys Tech Ltd	245	217	168	NA
	Enviro Infra Engineers Ltd	20	(34)	(12)	NA
	EMS Ltd	129	144	149	NA
Debt/ Equity	Rite Water Solutions (India) Ltd	0.25	0.05	0.08	0.15
	Ion Exchange (India) Ltd	0.08	0.07	0.15	NA
	Va Tech Wabag Ltd	0.29	0.14	0.16	NA
	Shakti Pumps (India) Ltd	0.27	0.18	0.11	NA
	Ceinsys Tech Ltd	0.37	0.29	0.04	NA
	Enviro Infra Engineers Ltd	0.25	0.51	0.80	NA
	EMS Ltd	0.01	0.09	0.09	NA
Net Debt/ EBITDA*	Rite Water Solutions (India) Ltd	0.48	(0.67)	(1.32)	0.30
	Ion Exchange (India) Ltd	(2.26)	(1.92)	(1.60)	NA
	Va Tech Wabag Ltd	0.03	(0.18)	(0.59)	NA
	Shakti Pumps (India) Ltd	0.56	0.87	(0.52)	NA
	Ceinsys Tech Ltd	1.63	0.44	(0.84)	NA
	Enviro Infra Engineers Ltd	(0.46)	(1.05)	(0.74)	NA
	EMS Ltd	(0.76)	(0.51)	(0.24)	NA

* *Not annualised for nine-months period ended December 31, 2024*

Notes: -

1. *For Peer Group Entities, all the financial information mentioned above is on a consolidated basis and is sourced from the audited annual financial statements and the unaudited limited reviewed financial statements for the nine months ended December 2024*
2. *Financial information of the Company has been derived from the Restated Consolidated Financial Statements*
3. *'NA' refers to 'Not applicable' where the financial information is unavailable i.e. not reported by the peer group entities in either their annual audited or quarterly or half-yearly unaudited limited reviewed financial statements to the stock exchanges*
4. *EBITDA is calculated as profit before exceptional items and tax minus other income (including share of profit of associate) plus finance costs, depreciation and amortisation*
5. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations*
6. *PAT Margin (%) is calculated as Profit for the year/ period as a percentage of Revenue from Operations*
7. *Return on Equity is calculated as profit for the year/ period divided by total equity*
8. *Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of Total Equity and Total Borrowings. EBIT is calculated as EBITDA minus depreciation and amortization*
9. *Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days.*
10. *Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days.*
11. *Cash conversion cycle is calculated as inventory days plus trade receivable days minus Trade payable days. Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days. Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days. Trade payable days are calculated as Trade payable divided by Revenue from operations multiplied by 365 days*
12. *Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*
13. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings minus total of cash and cash equivalents and bank balances other than cash and cash equivalents and current investments*

OUR BUSINESS

Unless the context otherwise requires, "we", "us", and "our" refer to our Company and our Subsidiaries. To obtain a complete understanding of our Company and our business, prospective investors should read this section along with "Risk Factors", "Industry Overview", "Other Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 29, 146, 374 and 378, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole for a discussion of certain factors that may affect our business, financial condition, results of operations or cash flows. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Additionally, please refer to "Definitions and Abbreviations" on page 1 for definitions of certain terms used in this section.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Water, Solar Pumps and IoT Industry Report" dated February 7, 2025 (the "**1Lattice Report**") prepared and issued by Lattice Technologies Private Limited, pursuant to an engagement letter dated August 28, 2024. The 1Lattice Report has been exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the 1Lattice Report and may have been re-ordered by us for the purposes of presentation. A copy of the 1Lattice Report will be available on the website of our Company at www.ritewater.in/investor-relations/IPO, from the date of the filing of the Red Herring Prospectus. Unless otherwise indicated, financial, operational, industry and other related information derived from the 1Lattice Report and included herein with respect to any particular Fiscal/ Calendar Year refers to such information for the relevant Fiscal/ Calendar Year. For further information, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the 1Lattice Report which has been prepared exclusively for the Offer and commissioned by our Company and paid for by our Company exclusively in connection with the Offer, and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 70. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency Of Presentation –Industry and Market Data" on page 16.*

In evaluating our business, we consider and use certain key performance indicators that are presented herein as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for our financial statements, and other financial and operational information included in this Draft Red Herring Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. These key performance indicators have limitations as analytical tools. Further, these key performance indicators, including the manner in which they are computed, may differ from similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to our financial statements or as an indicator of our operating performance, liquidity, profitability or results of operations.

OVERVIEW

We are the only Clean-tech[3] company in India with a diverse offering for rural transformation, focused on water solutions, solar agriculture solutions, and internet of things ("**IoT**") solutions for energy, agriculture, and water management sectors. *(Source: 1Lattice Report)*

We are the second fastest-growing company in the water sector in terms of revenue between Fiscal 2022 and Fiscal 2024, among the largest listed water sector companies standing out with a strong EBITDA margin, improving from 11.32% in Fiscal 2022 to 34.77% in Fiscal 2024, reflecting operational efficiency and growth trajectory *(Source: 1Lattice Report)*. Leveraging our experience of delivering solutions in rural and remote areas, we have recently forayed into the solar agriculture solutions, becoming one of the emerging players, with ~8.09K solar pumps installed as on December 31, 2024, leading to us having a ~2.85% share out of 0.28M solar pumps installed between April- December 2024 period *(Source: 1Lattice Report)*. Further, we have also leveraged our rural execution strengths to become one of the early players in delivering IoT Solutions for large scale projects. *(Source: 1Lattice Report)*

Since our incorporation in 2004, we have evolved from a water technology solutions provider to a Clean-tech player offering a spectrum of offerings and services across water solutions, solar agriculture solutions, and IoT solutions focusing on rural sustainability and operations of scale.

Our spectrum of Clean-tech solutions cover three verticals, namely (a) water solutions, which includes water and waste water treatment, disinfection and purification systems, community water purification plants ("**CWPP**"), and water supply schemes, (b) solar agriculture solutions, which includes solar irrigation pumps and solar cold storage systems, and (c) IoT solutions, providing digital monitoring applications for enhancing efficiency, improving productivity and reducing losses for water and energy infrastructure. Additionally, we also provide operation and maintenance ("**O&M**") services for projects executed by us in each of our three verticals.

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3 *Clean technologies or clean tech are new technologies and solutions that can help address the impact of climate change. (Source: 1Lattice Report)*

We are dedicated to building a future where communities have access to clean water, sustainable sanitation, and reliable energy, empowering these communities and transforming lives through innovative and sustainable Clean-tech solutions. We focus on deploying technology and innovation based solutions to provide on ground climate interventions in rural areas to address issues of energy insufficiency and water scarcity to improve living standards and drive local development. For further details of our offerings in each of the aforesaid verticals, please see "*Our Business- Comprehensive solutions focused on Clean-tech projects across multiple high growth sectors" and "- Our Offerings"* on page 211 and 222, respectively. With product offerings across water, solar agriculture and IoT sectors, coupled with a focus on innovation and execution expertise, we are well-equipped to continue driving sustainable solutions that contribute to India's infrastructure growth and social development *(Source: 1Lattice Report)*.

We are strategically positioned at the intersection of several growth sectors in India — water and waste water treatment, solar pumps, and IoT industry which are expected to grow at CAGR of 12.0%, 32.1% and 20.5% respectively from Fiscal 2024 to Fiscal 2030, respectively, with a total addressable market of US$ 37.1 billion for Fiscal 2024 *(Source: 1Lattice Report).*

We operate on an asset-light model which allows us to scale our operations efficiently without significant capital investments, ensuring flexibility and resilience. For further details, please see "*-Asset light business model enabling agility and scalability*" on page 214.

Our customers comprise state government departments and organisations and private corporates. We have successfully partnered with various government clients, undertaking numerous projects for water and solar agriculture solutions, through central government sponsored schemes such as Jal Jeevan Mission ("**Jal Jeevan/ JJM**"), the Pradhan Mantri Kisan Urja Suraksha Evam Utthan Mahabhiyan ("**PM Kusum Scheme**") and the National Mission for Clean Ganga ("**NMCG**"). For further details, please see "- *Track record of executing complex projects backed by innovation, enabling a strong Order Book and client relationships*" on page 213.

We are engaged in projects across 21,807 villages as of December 31, 2024. As an indicator of our scale, as of December 31, 2024, we had 9,131 installations with purifying capacity of 627.42 million litres of water every day and impacting people across 6,990 villages in the states of Maharashtra, Bihar, Jharkhand, Rajasthan, West Bengal, Chhattisgarh. Similarly, as of December 31, 2024, we have installed more than 8,736 solar pumps under the PM Kusum Scheme across 3,831 villages in the states of Maharashtra and Rajasthan and have installed 22 solar based cold-storages to support farmers with their produce and storage in the states of Maharashtra. As of December 31, 2024, our ongoing IoT operations are focused on energy and water management, monitoring, and optimization. We are currently in the process of implementing 250 schemes aimed at enhancing water management across 2,639 villages in the water sector and 1,837 sub-stations in the energy sector which will facilitate real-time data utilization, enhance energy efficiency and foster smart farming practices. For further details, please see "- *Key Government Programs*" on page 229.

Our scale and breadth of operations across livelihood linked sectors defines us as system integrators focused on last mile delivery which results in on ground impact across rural regions. Similarly, our focus on sustainability and responsible business practices has earned us an ESG rating of 3 for environment, 2.8 for social and 3.6 for governance as per the audit undertaken by CARE Advisory Research & Training Limited in the Fiscal 2023.

Underscoring our commitment to ESG, we have consistently attracted marquee impact investors. Our past investors include the Small Industries Development Bank of India ("**SIDBI**"), invested through the Samriddhi Fund, to whom we provided a full exit in April, 2023 from internal accruals. Since November, 2023, we are supported by the Water Access Acceleration Fund S.L.P. ("**W2AF**") organised and existing under the laws of France and managed by Incofin Investment Management in Belgium.

Our Company is ISO 9001:2015 certified. We also have approvals and validations from several government bodies. In recognition of our business pursuits, we have received 'Future Ready Organization Award in 2024-25' in the category of small and midsize enterprise by the Economic Times, and a certificate of achievement under the category of "Doing Good Through Business for Rural Development" at the 'Doing Good for Bharat Awards 2024', organized by CSRBOX. Additionally, we were recognized (i) as the best innovative company in water at National Water Management Awards organized by ASSOCHAM in 2017; (ii) for outstanding contribution to the industrial development of Vidarbha as a medium scale industry by Vidarbha Industries Association in 2023; and (iii) with a gold 3.5 star rating at the OSHAI 4th Annual HSE Excellence and Sustainability Award, 2019.

We are promoted by Abhijeet V. Gan, Managing Director and Chief Executive Officer and Vinayak S. Gan, Executive Chairman of our Company. Vinayak S. Gan, our Executive Chairman, has 42 years of experience as an entrepreneur and is currently involved in human resource management, project procurement, operational framework, manpower planning, and handling the processes and policies of our Company and Abhijeet V. Gan, our Managing Director & CEO, is currently involved in the involved in business development, project administration and execution, providing strategic advice to the Board and has 18 years of cumulative experience in water, solar and IoT sectors. Alongside our Promoters, our management team includes Directors, Key Managerial Personnel and Senior Management, each with years of industry experience and expertise in their respective fields.

Certain of our financial and revenue related metrics for nine months period ended December 31, 2024, Fiscals 2022, 2023 and 2024 are as provided below:

(*in ₹ million, unless otherwise indicated*)

Particulars	Unit	As at and for the nine-month period ended December 31, 2024	As at and for Fiscal		
			2024	2023	2022
Operating KPIs					
Total Order Book[1]	₹ million	17,231.34	16,377.60	3,663.42	1,587.39
Order Book Split					
D) Water Solutions	₹ million	4,870.71	4,759.56	3,663.42	1,587.39
E) Solar Agriculture Solutions	₹ million	7,545.82	8,949.49	-	-
F) IoT Solutions	₹ million	4,814.81	2,668.56	-	-
Financial KPIs					
Revenue from Operations[2]	₹ million	3,056.79	2,027.49	1,194.34	768.14
Revenue Growth[3]	%	NA	69.76%	55.48%	NA
Revenue from Operations Split					
D) Water Solutions	₹ million	910.91	1,605.41	1,194.34	768.14
E) Solar Agriculture Solutions	₹ million	1,848.48	334.72	-	-
F) IoT Solutions	₹ million	297.40	87.36	-	-
EBITDA[4]	₹ million	971.49	704.97	364.94	86.99
EBITDA Margin[5]	%	31.78%	34.77%	30.56%	11.32%
PAT[6]	₹ million	715.06	492.80	250.21	86.75
PAT Margin[7]	%	23.39%	24.31%	20.95%	11.29%
Return on Capital Employed*[8]	%	26.96%	27.22%	36.66%	9.81%
Return on Equity*[9]	%	23.39%	21.04%	26.85%	12.72%
Cashflow from Operations[10]	₹ million	(1,162.17)	(219.18)	317.77	0.96
Net Debt to EBITDA Ratio*[11]	In times	0.30	(1.32)	(0.67)	0.48
Trade Receivable Days*[12]	In days	162	52	53	140
Inventory Days*[13]	In days	74	37	20	15
Cash Conversion Cycle*[14]	In days	186	38	11	98
Total Borrowings[15]	₹ million	459.29	186.46	43.46	167.62
Debt to equity ratio*[16]	In times	0.15	0.08	0.05	0.25

* *Not annualised for nine-months period ended December 31, 2024*

Notes: -

1. *Order book comprises anticipated revenue from the unexecuted portions of existing contracts (including signed contracts for which all pre-conditions for entry into force have been met and letters of acceptance issued by the customer prior to execution of the final contract).*
2. *Revenue from Operations is as per the Restated Consolidated Financial Statements for the relevant periods / year.*
3. *Revenue growth (%) is calculated as a percentage of Revenue from Operations of the relevant year/ period minus Revenue from Operations of the preceding year/ period, divided by Revenue from Operations of the preceding year/ period*
4. *EBITDA is calculated as profit before exceptional items and tax minus other income (including share of profit of associate) plus finance costs, depreciation and amortisation*
5. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations*
6. *PAT means profit for the year/ period as appearing in the Restated Consolidated Financial Statements for the relevant periods / year*
7. *PAT Margin (%) is calculated as Profit for the year/ period as a percentage of Revenue from Operations*
8. *Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of Total Equity and Total Borrowings. EBIT is calculated as EBITDA minus depreciation and amortization*
9. *Return on Equity is calculated as profit for the year/ period divided by total equity*
10. *Net cash generated from operating activities for the year/ period as per the Restated Consolidated Financial Statements for the relevant periods / year.*
11. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings minus total of cash and cash equivalents, bank balances other than cash and cash equivalents and current investments*
12. *Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days.*
13. *Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days.*
14. *Cash conversion cycle is calculated as inventory days plus trade receivable days minus Trade payable days. Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days. Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days. Trade payable days are calculated as Trade payable divided by Revenue from operations multiplied by 365 days*
15. *Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*
16. *Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*

COMPETITIVE STRENGTHS

Comprehensive solutions focused on Clean-tech projects across multiple high growth sectors

We are the only Clean-tech[4] company in India with a diverse offering for rural transformation, focused on water solutions, solar agriculture solutions, and IoT solutions for energy, agriculture, and water management sectors (*Source: 1Lattice Report*). We have a comprehensive portfolio of offerings across multiple areas of operation, which is tailored to meet the specific needs of communities and environmental conditions.

As of December 31, 2024, we had a comprehensive portfolio of water solutions, solar agriculture solutions and IoT solutions, with a variety of applications for, amongst others, water and waste water treatment, disinfection, purification, water supply, solar powered irrigation pumps and cold storages, and IoT. We provide a range of climate-based solutions that address various environmental challenges. For the details of our offerings, please see "- *Our Offerings*" on page 222.

We adopt an integrated, multi-theme approach, addressing a range of inter-connected challenges in rural areas, including clean water, sanitation, energy, and digital needs. This holistic approach allows us to deliver solutions that are not only effective but also sustainable, promoting long-term community development and drive impactful change in the communities we serve. For further details, please see "- *Case Studies*" on page 219.

We are engaged in projects across 21,807 villages as of December 31, 2024. As an indicator of our scale, as of December 31, 2024, we had 9,131 installations with purifying capacity of 627.42 million litres of water every day and impacting people across 6,990 villages in the states of Maharashtra, Bihar, Jharkhand, Rajasthan, West Bengal, Chhattisgarh. Similarly, as of December 31, 2024, we have installed more than 8,736 solar pumps under the PM Kusum Scheme across 3,831 villages in the states of Maharashtra and Rajasthan and have installed 22 solar based cold-storages to support farmers with their produce and storage in the states of Maharashtra. As of December 31, 2024, our ongoing IoT operations are focused on energy and water management, monitoring, and optimization. We are currently in the process of implementing 250 schemes aimed at enhancing water management across 2,639 villages in the water sector and 1,837 sub-stations in the energy sector which will facilitate real-time data utilization, enhance energy efficiency and foster smart farming practices. For further details, please see "- *Key Government Programs*" on page 229.

Set forth below is a breakup of our revenue across our various solutions offerings for nine months period ended December 31, 2024, and Fiscals 2024, 2023 and 2022:

(In ₹ million, unless indicated otherwise)

Offering	Nine months period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations
Water solutions	910.91	29.80%	1,605.41	79.18%	1,194.34	100.00%	768.14	100.00%
Solar agriculture solutions	1,848.48	60.47%	334.72	16.51%	-	-	-	-
IoT solutions	297.40	9.73%	87.36	4.31%	-	-	-	-
Total	3,056.79	100%	2,027.49	100.00%	1,194.34	100.00%	768.14	100.00%

Additionally, our Operations and Maintenance ("**O&M**") contracts provide an attractive mix of annuity-based revenue across all segments, ensuring predictable cash flows and long-term financial stability. This steady revenue model, combined with our growth across all segments, helps us maintain a strong competitive position in the market. As on December 31, 2024, out of our total Order Book of ₹17,231.34 million, O&M contracts account for ₹ 2,380.09 million, which represents 13.81% of our total Order Book.

We operate predominantly in rural India and work closely with various state governments as a for-profit social enterprise. We are the only player in India with presence across the water solutions, solar agriculture, and IoT sectors. Our growth is also supported by a notable lack of many players to address these challenges at the grassroots level, leaving a significant gap in the market.

We are strategically positioned at the intersection of several growth sectors in India — water and waste water treatment, solar pumps, and IoT industry which are expected to grow at CAGR of 12.0%, 32.1% and 20.5% respectively from Fiscal 2024 to Fiscal 2030, respectively, with a total addressable market of US$ 37.1 billion for Fiscal 2024 (*Source: 1Lattice Report*).

The diversity of our offerings enables us to serve different growth sectors effectively, ensuring that our solutions are adaptable to various community requirements. We are supported by the following growth drivers:

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[4] *Clean technologies or clean tech are new technologies and solutions that can help address the impact of climate change. (Source: 1Lattice Report)*

- Water solutions: The Indian addressable water and wastewater treatment solutions market, valued at US$ 7.3B (INR 602.9B) in FY24, is projected to reach US$ 14.4B (INR 1,189.2B) by FY30, with a CAGR of 12.0% during this period. The Indian water and wastewater treatment sector is witnessing significant growth driven by a multitude of factors shaping the market landscape. As one of the fastest-growing economies globally, India faces escalating water scarcity, pollution, urbanization, and industrialization challenges. These issues drive the need for advanced treatment solutions to meet strict regulatory standards. In India, where 50-60% of wastewater is currently treated, government initiatives like AMRUT and Namami Gange aim to improve treatment infrastructure and advanced technologies like membrane filtration, reverse osmosis, and digital monitoring enhance efficiency. (*Source: 1Lattice Report*).

- Solar agriculture solutions: The Indian solar pump market was valued at US$ 0.6 billion in Fiscal 2024 and is expected to grow at a CAGR of 32.1% between Fiscal 2024 to Fiscal 2030, expected to reach US$ 3.2B by Fiscal 2030. The solar pump market in India is booming due to government initiatives like PM-KUSUM, technological advancements, focus on environmentally friendly energy, rising irrigation demand, and diminishing solar panel costs. These factors make solar pumps more affordable, efficient, and attractive for farmers. (*Source: 1Lattice Report*).

- IoT solutions: The Indian IoT market has demonstrated significant growth, as indicated by a CAGR of 24.1% from Fiscal 2019 to Fiscal 2024, expanding from ~US$ 10 billion to ~US$ 29 billion. This upward trajectory is anticipated to continue at a CAGR of 20.5%, leading to a projected market size of ~US$ 89 billion by Fiscal 2030. The steady rise in the market is largely due to the growing use of IoT technologies across different industries in India. This growth is supported by internet connectivity improvements, digital infrastructure expansion, and a stronger focus on implementing smart solutions. These trends suggest that IoT will play a crucial role in driving the growth of India's digital economy in the coming years. The growth of the Indian IoT market is fuelled by the smart cities mission, the expansion of India's digital economy, the rise of tech startups—especially in agriculture—and various government initiatives promoting IoT solutions. Government initiatives like the 'Centre of Excellence for IoT & AI' are also helping to advance IoT applications. Also, the average price of IoT sensors have dropped from US$ 1.30 in CY04 to US$ 0.44 in CY18 thereby significantly lowering costs and driving wider adoption of IoT solutions. (*Source: 1Lattice Report*).

Track record of executing complex projects backed by innovation, enabling a strong Order Book and client relationships

We have a proven track record of successfully executing complex projects of various sizes across India's public sector. Our expertise is reflected in our industry knowledge, technical know-how, and ability to scale operations.

Examples of our technical expertise are demonstrated through key ongoing projects such as (i) project of supply, installation, commissioning and maintenance of electro chlorination plants across 17,320 villages across Maharashtra for disinfection of water supply schemes under Jal Jeevan Mission; (ii) supply of solar irrigation pumps to 24,000 farmers under PM Kusum Scheme; (iii) IoT based monitoring of water supply schemes covering 2,639 villages across Maharashtra which leverage real-time data collection and analytics to monitor, control, and optimize water supply system, ensuring efficient utilization and minimizing wastage; (iv) IoT based monitoring of sub-stations to improve the reliability and efficiency of power distribution and reduce operational costs and downtime by facilitating preventative maintenance and efficient energy management covering 1,837 substations across Maharashtra which leverage real-time data collection and analytics to monitor, control, and optimize water supply system, ensuring efficient utilization and minimizing wastage; (v) supply, installation, commissioning, operation & maintenance of fluoride, arsenic, iron and salinity removal community water treatment plants; (v) India's first large scale 30 MLD drain interception and treatment plant along the ganga river in Varanasi (*1Lattice Report*), incorporating advanced oxidation processes to purify wastewater; and (vi) construction of drinking water supply schemes.

Our focus is on projects forming part of flagship programs of state governments funded by the central government, ensuring adequate commitment by our clients and showcasing our understanding of regional and sectoral nuances. Our diverse portfolio includes numerous impactful projects delivered across India's public and private sectors. These include water disinfection systems, solar pump installations, water purification solutions and IoT solutions. Our ability to execute large-scale initiatives, even in rural and remote areas, positions us as a partner for critical infrastructure development. As of December 31, 2024, we have executed 9,131 water-related installations, installed more than 8,736 solar agriculture pumps, 22 cold storages, and 9 schemes covering 231 villages for IoT water monitoring under Jal Jeevan Mission and installation of 170 sub-stations for monitoring of substations under energy IoT monitoring for IoT applications.

Set out below are certain key projects executed/being executed by us in respect of each of our verticals of operation:

Vertical	Project
Water solutions	• Installation of electro-chlorination systems across 17,320 single village supply schemes across 16 districts of Maharashtra, awarded under the Jal Jeevan Mission • Mini-water supply and treatment schemes for Fluoride/Iron/Arsenic affected habitations across 397 wards in 125 villages in Bihar (which includes O&M for 5 years)

Vertical	Project
	• Large scale arsenic removal plants based on nano technology established in West Bengal • 30 MLD sewage treatment plant under the National Mission for Clean Ganga in Varanasi
Solar agriculture solutions	• Letter of award for installation of 12,000 solar pumps in the State of Maharashtra under PM Kusum Scheme for a government organisation • Letter of award for installation of 14,500 solar pumps in the State of Maharashtra for a government organisation • Letter of award from a government organisation for solar pumps in the State of Rajasthan under the PM Kusum Scheme in all districts of Rajasthan.
IoT solutions	• IoT implementation across 250 schemes covering 2,639 villages in Maharashtra for real time monitoring under the Jal Jeevan Mission • IoT implementation for monitoring power supply, proper planning, decision support and taking corrective actions across 1,837 sub-stations for a government organisation under the state policy

To support our project execution, we had 163 personnel in our project execution team, who are responsible for the project execution cycle as of December 31, 2024. Key focus areas of our project execution process are timely completion of milestones and delivery, financial discipline, periodic review, and quality control. We have been consistently delivering projects on time and within budget since incorporation.

We employ a unique approach by collaborating with research institutions to transform laboratory innovations into field-ready solutions. These partnerships enhance our technical capabilities, ensuring the delivery of solutions tailored to client requirements. Some of our technology partners include research institutes, such as CSIR-CSMCRI

Our successful project execution has led to a strong Order Book of ₹17,231.34 million as of December 31, 2024, highlighting a robust and diverse project pipeline. This enhances revenue potential, market expansion, and ensures stability. O&M contracts further ensure a steady revenue stream post-project completion. Our success in executing high-impact public sector projects has pre-qualified us as a partner for future projects. This serves as a significant barrier to entry for competitors, reinforcing our credibility in the sector.

We have cultivated a broad client base that includes multiple state and central government bodies. Our government projects, funded centrally but implemented by state bodies, offer security and continuity. As of December 31, 2024, we had 22 government clients such as State Water and Sanitation Mission, Maharashtra State Electricity Distribution Company Limited, Maharashtra Energy Development Agency, Public Health Engineering Department, Bihar, Public Health Engineering Department, Rajasthan and other government departments. These relationships showcase our ability to execute critical projects across diverse geographies and sectors.

Asset light business model enabling agility and scalability

We follow an asset-light business model, focusing on strategic sourcing to optimize our core operations and enable scalability across geographies.

Our asset light model is characterised by the following:

- Manufacturing focus on core competencies: By manufacturing only the essential critical components, we can concentrate our resources and expertise on areas where it can add the most value.
- Reduced capital expenditure: The asset-light strategy significantly reduces the capital requirements that would otherwise be necessary for setting up and maintaining extensive manufacturing facilities. This reduction in capital expenditure allows us to remain financially flexible and responsive to market changes.
- Scalability and flexibility: Outsourcing non-core manufacturing components enables us to scale operations up or down with greater ease. This flexibility is advantageous, particularly in the Clean-tech industry, where market demand can fluctuate based on various factors including technological advancements, regulatory changes, and economic shifts.
- Strategic partnerships: By outsourcing, we can leverage the specialized capabilities of our supplier partners. These partnerships enable us to benefit from the latest manufacturing techniques and innovations without directly investing in new technologies or training.

- Speed to market: The asset-light model also aids us in speeding up the production and deployment of our offerings. With partners handling the production of non-core components, we can focus on the assembly and integration of these systems, thus reducing the time from production to deployment.

- Cost efficiency: Outsourcing less critical manufacturing processes can lead to significant cost savings in terms of both operational and overhead costs.

Our asset-light model is a strategic choice that aligns with our focus on innovation and quality in core components while enjoying the flexibility, scalability, and cost-efficiency offered by outsourcing other parts of the production process. This model not only supports our growth objectives but also enhances its ability to adapt to the dynamic global market for clean water technologies.

By focusing on strategic sourcing and collaborating with specialized third-party vendors, including partners for solar pumps under schemes like PM Kusum Scheme, we maintain capital efficiency without compromising on the quality of our offerings. By keeping our capital commitments low, we can allocate resources more strategically, focusing on growth and enhancing service quality while maintaining a strong financial foothold. This approach, combined with diligent working capital management, has contributed to ROCE as set forth in the table below:

Particulars	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Return on Capital Employed	26.96%	27.22%	36.66%	9.81%

Similarly, our asset-light strategy approached us to build a scalable and adaptable business, where low debt levels reflect both our financial discipline and our commitment to sustainable growth. Set forth below is our debt to equity ratio for nine months period ending December 31, 2024, and Fiscal 2024, 2023, and 2022 which is indicative of our approach of minimal leverage, signalling financial stability and a reduced risk profile:

Particulars	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Debt to equity ratio (in times)	0.15	0.08	0.05	0.25
Total borrowings (₹ million)	459.29	186.46	43.46	167.62

The asset-light strategy allows us to drive growth through consistent revenue and profitability improvements, as evidenced by revenue from operations, revenue growth, PAT and PAT growth as set forth in the table below for nine months period ending December 31, 2024, and Fiscal 2024, 2023, and 2022, respectively:

Particulars	Nine-month ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (₹ million)	3,056.79*	2,027.49	1,194.34	768.14
Percentage of growth in revenue from operations (in %)	NA#	69.76%	55.48%	NA#
PAT (₹ million)	715.06*	492.80	250.21	86.75
Percentage of growth in PAT (in %)	NA#	96.95%	188.43%	NA#

* *Not annualized*

\# *Comparative period not available*

Sustainability focused business model aligned with ESG principles and global sustainability goals

We operate with a sustainability-driven business model, integrating environmental, social, and governance ("**ESG**") principles across our operations. This approach aligns with global sustainability goals and underscores our commitment to creating long-term positive impacts on the environment and the communities we serve.

Our projects incorporate renewable energy solutions, such as solar-powered systems, and advanced water treatment technologies to minimize ecological harm and optimize resource efficiency. We also leverage IoT-based water and energy management systems to monitor, control, and optimize resource usage in real time. These systems enhance energy efficiency, reduce water wastage, and ensure more effective distribution, directly contributing to environmental conservation and operational sustainability. We believe that these efforts align with global initiatives to lower carbon emissions and conserve resources, such as SDG 6 (Clean Water and Sanitation) and SDG 7 (Affordable and Clean Energy).

As a for-profit social enterprise, we focus on last-mile delivery of essential services in underserved rural regions, directly improving livelihoods and community well-being.

Our adherence to ESG principles ensures that sustainability is embedded in our solutions development process. In Fiscal 2023, our ESG performance earned ratings of 3, 2.8, and 3.6 from CARE Advisory Research & Training Limited). These ratings reflect our dedication to responsible business practices and bolster our reputation as a trusted partner for impact-driven clients and stakeholders.

Our solutions support nine SDGs, including efforts to address water scarcity, clean energy access, and climate change mitigation. Beyond direct environmental benefits, we empower communities with essential resources, transforming underserved regions and fostering economic development through innovative, cost-effective solutions.

By embedding ESG considerations into our operations, we enhance our competitive advantage and market reputation. This commitment attracts impact investors and partners who value social and environmental responsibility, ensuring we remain at the forefront of industry innovation while delivering long-term value to communities and stakeholders.

Experienced management team and qualified personnel with significant industry experience backed by marquee investors

We are promoted by Abhijeet V. Gan, Managing Director and Chief Executive Officer and Vinayak S. Gan, Executive Chairman of our Company. Vinayak S. Gan, our Executive Chairman, has 42 years of experience as an entrepreneur and is currently involved in human resource management, project procurement, operational framework, manpower planning, and handling the processes and policies of our Company and Abhijeet V. Gan, our Managing Director & CEO, is currently involved in business development, project administration and execution, providing strategic advice to the Board and has 18 years of cumulative experience in the water, solar and IoT sectors.

We are also led by experienced Key Managerial Personnel and Senior Management Personnel with extensive industry knowledge. Members of our management team have experience in the sector of water, solar information technology, and in the field of project management, execution of projects and business development and under their leadership over the last several years, we have grown rapidly. For details, see "*Our Management*" beginning on page 257. The combination of our experienced Board of Directors and our dynamic management team positions us well to capitalize on future growth opportunities.

We are also supported by marquee investors. For example, our past investors include SIDBI Trustee Company Limited to whom we provided a full exit. In November 2023, we became the first global investment by the W2AF organised and existing under the laws of France and managed by Incofin Investment Management in Belgium.

Demonstrated track record of profitability and consistent financial performance.

We have a consistent track record of strong financial performance over the past nine months period ended December 31, 2024, and last three Fiscals. Our revenue from operations for the nine months period ended December 31, 2024, and Fiscal 2024, 2023, and 2022 as set forth in the table below reflects a 2-year compound annual growth rate (CAGR) of 62.46%:

(*in ₹ million*)

Particulars	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations	3,056.79	2,027.49	1,194.34	768.14

This sustained growth underscores our ability to capitalize on market opportunities and expand our business across sectors.

Our working capital metrics highlight our efficient collection processes and robust cash flow management, evidenced by no material write-offs or bad debt, as well as a minimal history of delays or financial losses on projects. Over the years, we have maintained a track record of no material write-offs and low bad debt levels, underscoring our careful management of receivables and financial discipline. Set out below are certain financial metrics for the respective financial periods:

(*in ₹ million*)

Particulars	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Borrowings	404.43	172.32	37.38	161.63
Bad debts and expected credit loss	123.23	27.24	18.24	66.07

Our EBITDA margins for the nine months period ended December 31, 2024, and Fiscal 2024, 2023, and 2022 as set forth in the table below demonstrates our operational efficiency and focus on profitability:

Particulars	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
EBITDA margins (%)	31.78%	34.77%	30.56%	11.32%

Our asset-light business model, combined with efficient working capital management, has led to a Return on Capital Employed (ROCE) as set forth in the table below:

Particulars	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Return on capital employed (%)	26.96%	27.22%	36.66%	9.81%

We prioritize a conservative debt policy and strive to maintain a prudent use of leverage, which allows us to operate with low financial risk. Our debt-to-equity ratio are borrowings are set forth in the table below for the respective period:

Particulars	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Debt to equity ratio (x)	0.15x	0.08x	0.05x	0.25x
Total borrowings (₹ *million*)	459.29	186.46	43.46	167.62

STRATEGIES

Strengthening public-private partnerships, focus on larger projects, and capitalize on government policy initiatives

We have a long-standing history of over 16 years collaborating with government bodies to implement large-scale projects. Our involvement in government schemes like Jal Jeevan Mission, PM Kusum Scheme and NMCG has allowed us to deliver impactful solutions at scale. Our ability to work with both public and private sector clients ensure a stable pipeline of projects.

We are committed to strengthening our public-private partnerships to drive future growth. By continuing to participate in government schemes and tenders, we will align our projects with national priorities for clean water and renewable energy, ensuring a steady flow of large-scale opportunities. By maintaining a balanced mix of projects across water, solar agriculture and IoT solutions, we ensure financial stability and long-term growth.

The Indian Government has launched several initiatives in water and wastewater management, solar pump market and IoT sectors which are described below:

i. Water and wastewater management: The Indian water and wastewater treatment market is set for substantial growth driven by increased private investments and new government initiatives & policies such as Namami Gange, AMRUT and stringent discharge and wastewater reuse standards aimed at attracting broader participation, including from remote participants. (*Source: 1Lattice Report*)

ii. Solar pump: The PM Kusum Scheme having an allocated budget of US$ 4.1B till March 2026 to subsidize instalment of new solar pumps and reduce dependence on grid/diesel pumps. (*Source: 1Lattice Report*)

iii. IoT:

- Initiatives like Jal Jeevan Mission for water management, RDSS for energy distribution and NeGPA for digital agriculture are driving IoT adoption across sectors.

- Under Budget 2024, the Ministry of Electronics and Information Technology received INR 21,396 Cr, up from Rs. 16,549 Cr, to advance initiatives focusing on IoT, cybersecurity and the Digital India Programme.

- Government initiatives like the 'Centre of Excellence for IoT & AI' are also helping to advance IoT applications. (*Source: 1Lattice Report*)

Considering our demonstrated track record of executing projects of scale and our long-standing relationships with government clients, this strengthens our pre-qualification criteria, enhancing our ability to secure larger contracts of a similar nature. This strategic advantage positions us to capitalise on policy-driven opportunities such as the PM Kusum Scheme, Jal Jeevan Mission, Modernisation and loss reduction programs of Discoms, and NMCG, allowing us to leverage these initiatives for sustained growth.

We intend to harness government policies in water, solar agriculture and IoT sectors to grow our business by focusing on larger projects such as water purification and disinfection plants (electro-chlorinators) across water supply schemes, drain interception and treatment projects across ganga river and other large rivers in India, installation of solar pumps, IoT solutions which leverage real-time data collection and analytics to monitor, control, and optimize water and energy utilities. Engaging in complex projects has allowed us to build a diverse and high-quality Order Book, strengthening our pre-qualification moat. By focusing on larger projects, we also intend to increase our pre-qualification credentials, which will enable us to secure projects of scale going forward.

Our strategy emphasizes a strong focus on government partnerships while selectively engaging in private sector opportunities to expand our reach and maximize impact. By working closely with state government organisations, we secure projects through various flagship programs, which align with our expertise and offerings in water, solar agriculture, and IoT solutions. These government projects serve as a foundation, often creating avenues for direct and indirect private sector engagement. Our work with government entities frequently leads to additional private projects with the same clients, as our proven track record enables us to attract private customers seeking similar solutions. While government projects remain at the core of our approach, we selectively pursue private partnerships that allow us to leverage our existing products and capabilities, enabling us to serve a wider market while remaining aligned with our mission. Through this dual approach, we continue to build a diverse portfolio of projects across both public and private sectors.

Diversifying offerings of various solutions and expanding geographic presence domestically and internationally through inorganic means

We aim to diversify our solutions portfolio and expand our geographic footprint domestically and internationally. Our focus remains on addressing critical environmental challenges such as water scarcity, renewable energy adoption, and agricultural sustainability.

This includes a mobile, van-mounted desalination and water purification unit with exclusive commercial rights, capable of treating diverse water sources, including floodwater, brackish water, and seawater. With purification capacities ranging from 500 to 4,000 liters per hour, this solution addresses urgent water quality challenges in remote regions. We are also entering the groundwater rejuvenation space through defunct borewell recharge technologies and introducing solar cold storage solutions to reduce post-harvest losses, directly benefiting the agricultural supply chain.

Strategically, we aim to prioritize larger projects with high internal rates of return ("**IRR**") and lower execution risks, enhancing operational efficiency and ensuring consistent returns. By undertaking high-value projects, we intend to strengthen our pre-qualification credentials, positioning us to secure even larger opportunities in the future while maintaining a focus on core areas such as water and solar agriculture.

Domestically, we plan to deepen our reach in high-demand states like Maharashtra, Karnataka, Tamil Nadu, Rajasthan, and Madhya Pradesh, while expanding internationally to emerging markets in Africa. Our solutions for water and wastewater treatment are designed to tackle the severe water quality issues that are widespread throughout East and Sub-Saharan Africa. These areas struggle with critical challenges such as excessive fluoride and arsenic contamination and limited access to potable drinkable water. Leveraging our specialized knowledge, we are well-equipped to provide scalable and effective solutions that enhance health and living standards. Additionally, our IoT-based solutions for water and energy utilities, along with our solar agricultural solutions, are tailored to meet the specific needs of this region. Our expertise positions us to deliver impactful solutions at scale, improving health and quality of life.

Our international expansion strategy will leverage strategic partnerships and proven technologies to establish a presence in Africa, starting with East Africa. This approach allows us to diversify revenue streams, reduce reliance on specific regions, and extend our impact globally. By entering new markets with tailored solutions, we aim to serve a wider array of communities while reinforcing our commitment to sustainability and operational efficiency.

We aim to enhance our capabilities by pursuing strategic acquisitions. We are open to exploring inorganic growth opportunities through acquisitions that can bolster our technological capabilities and introduce innovative solutions. Additionally, we are considering backward integration as a strategy to enhance our profit margins. As of the date of this Draft Red Herring Prospectus, we have not yet shortlisted any specific target entities nor have we entered into any definitive agreements concerning potential acquisitions.

This diversification and geographic expansion strategy strengthens our position in clean technology solutions, allowing us to address pressing global challenges and deliver long-term, scalable impact.

Scaling technological innovation through partnerships

We integrate advanced technologies like reverse osmosis, nanotechnology, solar energy, and IoT into our solutions, enabling us to tackle critical environmental challenges.

Our collaboration with technology partners, including organizations like CSIR-CSMCRI, allows us to bring technological advancements to our projects. We plan to expand these partnerships and deepen existing collaborations to develop scalable, rural-focused innovations. For instance, we are leveraging technologies from the Council of Scientific and Industrial Research under the Central Salt and Marine Chemicals Research Institute, Bhavnagar, Gujarat, to develop van-mounted desalination and water purification units. With exclusive commercial rights to this technology, these units will address diverse water challenges, such as floodwater contamination and high salinity, offering potable water to underserved regions.

Expanding our innovation pipeline, we also plan to explore groundwater rejuvenation technologies, including recharging defunct borewells, to replenish critical water sources. These initiatives are part of our broader strategy to develop sustainable, high-impact solutions tailored to rural and underserved communities.

By continuing to forge new technological partnerships and investing in advanced solutions, we aim to scale our capabilities, address localized challenges, and lead the Clean-tech industry in delivering transformative and sustainable innovations.

Continuing our focus on sustainability and ESG principles

We are committed to sustainability and aligns our business practices with ESG principles. Our solutions focus on reducing environmental impact, promoting renewable energy, and improving resource efficiency. We actively contribute to the United Nations' Sustainable Development Goals, particularly those related to clean water and affordable, clean energy.

We are committed in our focus for sustainability by ensuring that our business practices continue to align with ESG principles and global sustainability development goals. We have taken steps to reduce our carbon footprint by integrating renewable energy sources into all our projects and operations, positioning ourselves in environmental stewardship. Our focus on ESG considerations will continue to guide development of our solutions, ensuring that we meet both current and future market demands for sustainable solutions. By embedding ESG principles into every aspect of our operations, we not only enhance our competitive advantage but also strengthen our market reputation. This commitment ensures that we remain a trusted partner for clients seeking responsible, sustainable solutions, and positions us at the forefront of global efforts to create a more sustainable future.

Continue to build our project execution strength and operational efficiency

Our commitment to enhancing project execution strength and operational efficiency begins with leveraging the expertise and leadership of our promoters, directors, key managerial personnel, and senior management. The collective experience and industry knowledge of our leadership team are pivotal in driving successful project outcomes and operational excellence.

We are promoted by Abhijeet V. Gan, Managing Director and Chief Executive Officer and Vinayak S. Gan, Executive Chairman of our Company. Vinayak S. Gan, our Executive Chairman, has 42 years of experience as an entrepreneur and is currently involved in human resource management, project procurement, operational framework, manpower planning, and handling the processes and policies of our Company and Abhijeet V. Gan, our Managing Director & CEO, is currently involved in business development, project administration and execution, providing strategic advice to the Board and has 18 years of cumulative experience in water, solar and IoT sectors. Their extensive backgrounds in entrepreneurship and management ensure that we are equipped to navigate complex project landscapes while maintaining a clear vision for growth and sustainability. They are involved in high-level decision-making processes that prioritize projects aligning with our core competencies and market demands.

We empower our Key Managerial Personnel and Senior Management Personnel by providing them with the authority and resources necessary to execute projects effectively. This includes training and professional development programs that enhance their skills and capabilities, ensuring that they are well-equipped to tackle challenges and implement innovative solutions. Additionally, we will continue to build our teams with high-quality resources to further strengthen our project execution capabilities.

To further enhance operational efficiency, we foster a culture of collaboration among our Senior Management Personnel and project execution teams. Regular cross-functional meetings and communication channels enable knowledge sharing and streamline decision-making processes. This collaborative approach allows us to leverage diverse perspectives, ultimately leading to more robust project execution strategies.

We actively seek strategic partnerships with research institutions and industry experts to augment our capabilities. These collaborations facilitate the exchange of knowledge and resources, allowing us to transition innovative solutions from the lab to field applications effectively. Our long-term vision is to cultivate a resilient organization capable of adapting to market changes while maintaining a high standard of project execution. By focusing on operational efficiency and leveraging the strengths of our leadership team, we aim to establish ourselves as a trusted partner for government and private sector projects, driving sustainable development and positive impact in the communities we serve.

Case Studies

1. *India's First Large-Scale Drain interception and Treatment Plant in Varanasi*

   Geography: Varanasi **|** *Problem*: Untreated sewage waste **|** *Solution:* Geo-tube filtration and ozone treatment

The Assi River in Varanasi, has been severely polluted by untreated sewage, waste, and encroachment, leading to environmental degradation, health risks, and a loss of cultural integrity. The Indian government has launched several initiatives to address the pollution of the Ganges and its tributaries, including the Assi River.

Our Company and Ozone Research and Application India Private Limited set up a drain treatment plant, to intercept and treat sewage using a combination of geo-tubes and ozonation. Geo-tubes are employed to remove suspended solids and filter the water effectively. Subsequently, the filtered water undergoes ozone treatment, which significantly reduces Biological Oxygen Demand (BOD) and Chemical Oxygen Demand (COD) to levels within the permissible limits set by the Central Pollution Control Board (CPCB). The drain treatment plant operated by us and operational from April 30, 2024, is achieving an operational efficiency of approximately 816 million liter of water being treated every month through installed plant capacity of 30 MLD. We adopted a Build-Own-Operate (BOO) model with real-time monitoring. These real-time sensors continuously transmit data to a national portal, ensuring transparency, efficiency, and accountability in rejuvenating the river ecosystem.

2. *Sweet Water at Last*

Geography: Bharatpur, Rajasthan **|** *Problem*: Salinity **|** *Solution:* Reverse Osmosis (RO)

Naugaya, a village in Bharatpur District, Rajasthan, faced severe groundwater contamination, with TDS exceeding 3,000 ppm, along with high chloride, fluoride, and nitrate levels. The water was unfit for drinking, causing joint pain and gastrointestinal problems among the villagers.

In November 2016, a community water treatment plant was installed by our Company under the "Amrit Jal Pariyojana," a Public-Private Partnership with the Government of Rajasthan. The plant uses reverse osmosis, ultrafiltration, and ultraviolet technologies to treat 500 liters of water per hour, reducing TDS levels to 280 and providing safe drinking water at ₹4 for 20 liters. The project improved villagers' health and quality of life, resolving water-related issues like salinity and making cooking easier. Similar initiatives have been implemented in 409 villages across Rajasthan, benefiting over 200,000 people and employing local operators.

3. *Fluoride Free Water in Difficult Geographies*

Geography: Garhwa, Jharkhand | *Problem:* High fluoride content | *Solution:* Solar Electro De-Fluoridation

Tiwari Tola, a small village in Chechariya Panchayat, Garhwa District, Jharkhand, faced severe water contamination issues, with fluoride levels reaching 3 ppm, double the permissible limit, and high iron content.

A solar-powered water treatment plant was set up by our Company in collaboration with PHED, Government of Bihar. The plant uses eco-friendly electrolytic de-fluoridation (EDF) technology to remove fluoride and iron, providing safe drinking water at a cost one-tenth that of reverse osmosis. Treated water now has fluoride levels between 0.1 to 0.5 ppm, making it safe for consumption. Our Company operates 152 similar plants across the region, providing safe drinking water to over 4,500 households.

4. *Tap Water for Every House*

Geography: Purnia, Bihar | *Problem:* Iron contamination | *Solution:* Piped tap water

Purnia, among Bihar's other districts, faced severe iron contamination in its groundwater, making it metallic-tasting and unfit for consumption.

In August 2020, under the Bihar Government's *Har Ghar Nal ka Jal Yojna*, a tap water system was installed in the village by our Company. This included a borewell, an 8,000-liter/hour treatment plant, a storage tank, pipelines, and household connections. The system now supplies clean, odorless water twice a day. Our Company, using anion adsorption technology to minimize water wastage, has implemented similar projects in 397 villages across five districts in Bihar, addressing iron, fluoride, and arsenic contamination. These efforts have provided clean water to over 200,000 people while improving health, hygiene, and local livelihoods.

The foregoing strategies of our Company have been adopted pursuant to a resolution of our Board dated February 10, 2025.

Our Business Operations

We offer a wide range of offerings and services which is focused on innovative water solutions, solar agriculture solutions, and integrated IoT solutions. The projects we undertake are with offerings and solutions that are carefully selected and customized based on the specific requirements of our clients and the complexity of the tasks involved to meet specific environmental and community needs. This approach allows us to address the precise needs of each project, ensuring optimal outcomes and client satisfaction. Among these projects are the establishment of water purification plants designed to provide clean drinking water, initiatives aimed at river cleaning which involve drain interception and subsequent treatment to prevent pollution, and the implementation of solar water systems that harness renewable energy to deliver water solutions efficiently. Additionally, we are involved in the digitization of water and energy utilities, a process that leverages advanced technology to improve the management and efficiency of these critical resources.

Our Offerings

Set forth are the descriptions, specifications and applications of our key offerings and services. In our offerings, some items are directly manufactured by us, leveraging our specialized capabilities in production and other offerings are provided through our role as system integrators, where we combine various components and technologies to deliver comprehensive solutions:

Vertical	Experience, offerings and solutions
Water solutions	• Fluoride, nitrate, arsenic and iron removal systems • Reverse osmosis ("**RO**") systems • Ultrafiltration ("**UF**") systems • Community water purification systems • Electro-chlorination systems • Turnkey water supply schemes • Solar based mini water supply systems
Solar agriculture solutions	• Solar irrigation pumps • Solar cold storage systems
IoT solutions	• Water: IoT applications for real-time monitoring and management, which provide water usage patterns, facilitate prompt leak detection, and optimize water distribution schedules based on demand and supply pattern • Energy: IoT applications for real-time tracking of energy usage and automated control systems that adapt to usage patterns

Water solutions:

Safe drinking water is crucial for human health, welfare and productivity. While improving water quality is critical to prevent the transmission of water-borne diseases, improving the accessibility and availability of drinking water is also important. We are specialized in providing potable water and water quality improvements solutions and focused on providing comprehensive, cost effective and sustainable solutions for safe drinking water to areas where water sources are chemically and biologically contaminated. Our innovation is sustained by the technology we employ along with our focus on providing the safe, clean, and sustainable water purification solutions.

Set out below is our offerings focused on water solutions:

Solutions	Applications and benefits	Pictorial description
Fluoride, nitrate, arsenic and iron removal systems	A system specifically designed to address groundwater contamination issues, effectively removing iron, arsenic, fluoride, and nitrates to ensure safe drinking water. These systems utilize contaminant specific technology to purify contaminated water at the source.	

Solutions	Applications and benefits	Pictorial description
Reverse osmosis (“**RO**”) systems	A separation process using pressure to force water through a membrane, removing impurities and allowing pure water to pass through. This method is effective for various contaminants. It is designed to eliminate salinity and a broad range of groundwater contaminants, ensuring the provision of clean and safe water.	
Ultrafiltration (“**UF**”) systems	An ultrafiltration system is a water treatment technology that employs membrane filtration to separate suspended solids, bacteria, and larger molecules from water, resulting in clean, purified water. This system is commonly used in drinking water purification, wastewater treatment, and various industrial processes.	
CWPP	Decentralized water treatment plants, designed to serve villages and communities grappling with contaminated water sources, are vital infrastructure that ensure the provision of clean drinking and cooking water for populations ranging from 500 to 1,000 people. Commonly referred to as water kiosks or water ATMs, these facilities are particularly innovative as they come equipped with smart water dispensing systems. These systems allow residents to access water anytime through the use of a prepaid smart card or a coin-based dispensing mechanism, making clean water not only readily available but also affordable.	
Electro-chlorination systems	An onsite sodium hypochlorite generator that provides an economical and convenient water disinfection solution. It generates chlorine instantaneously through electrolysis of ordinary salt or seawater, ensuring maximum safety for operators.	

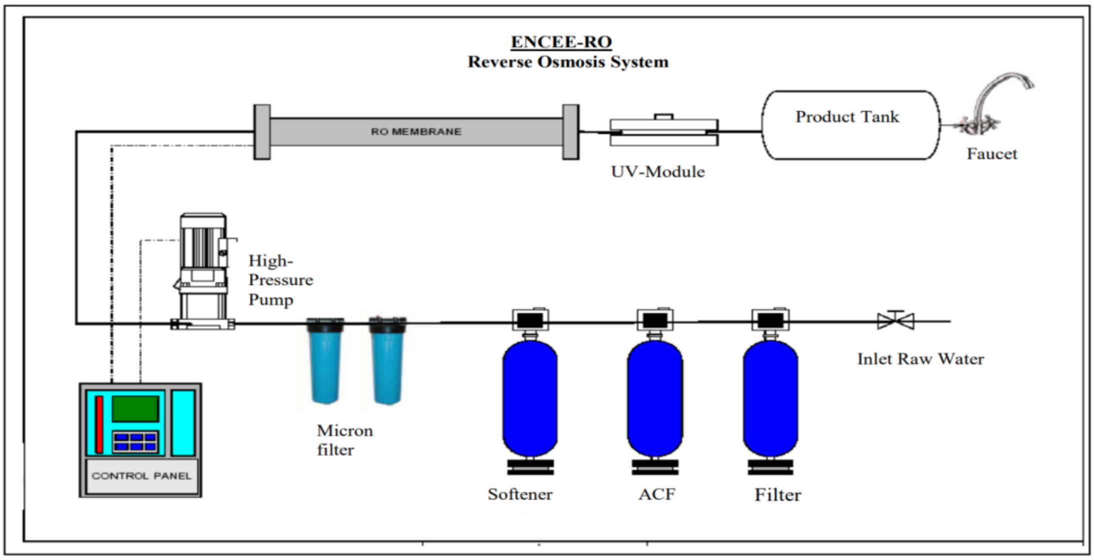
Solutions	Applications and benefits	Pictorial description
Mobile water purification van	A water purification plant, mounted on a van, is engineered to treat both saline and contaminated water, delivering safe drinking water to remote locations and during disaster and emergency situations. This solution is designed for rapid deployment, ensuring immediate access to clean water when and where it's most needed.	
Turnkey water supply schemes	Turnkey water supply schemes aim to deliver comprehensive solutions from the initial source to the end user. This includes a wide range of services, starting with the development of the water source itself. We handle the drilling of borewells and the construction of intake structures to harness water from various sources. Following this, we design and build water treatment plants to ensure the delivery of clean and safe drinking water. Our services extend to the construction of all necessary infrastructure, including: • **Water pumping stations:** Equipped with pumps and controls to transport water throughout the system. • **Elevated storage reservoirs:** Providing reliable water storage and maintaining consistent pressure for distribution. • **Distribution networks:** Laying pipelines and constructing all associated components for efficient water conveyance. • **House service connections:** Ensuring individual households are connected to the water supply network.	
Solar water supply systems	Solar water supply systems are designed to provide a continuous, reliable supply of clean water in off-grid and remote areas. Powered by solar energy, these systems significantly reduce the environmental impact associated with traditional water supply methods. They are ideal for addressing water scarcity and ensuring access to potable water.	

Set out below are the key technologies used by us in our water solutions offerings:

1. <u>Reverse osmosis:</u>

Reverse osmosis ("**RO**") is a water purification technology that utilizes a semi-permeable membrane to remove ions, unwanted molecules, and larger particles from drinking water. In reverse osmosis, water is forced under pressure through a membrane with pores small enough to allow water molecules to pass through while blocking contaminants like salt, bacteria, viruses, and chemicals. This process is particularly effective in desalinating seawater, making it potable, and in purifying contaminated water, which makes it ideal for both residential and industrial applications. The effectiveness of RO systems can be influenced by the water pressure, membrane quality, and the presence of chemicals or biological entities in the water.

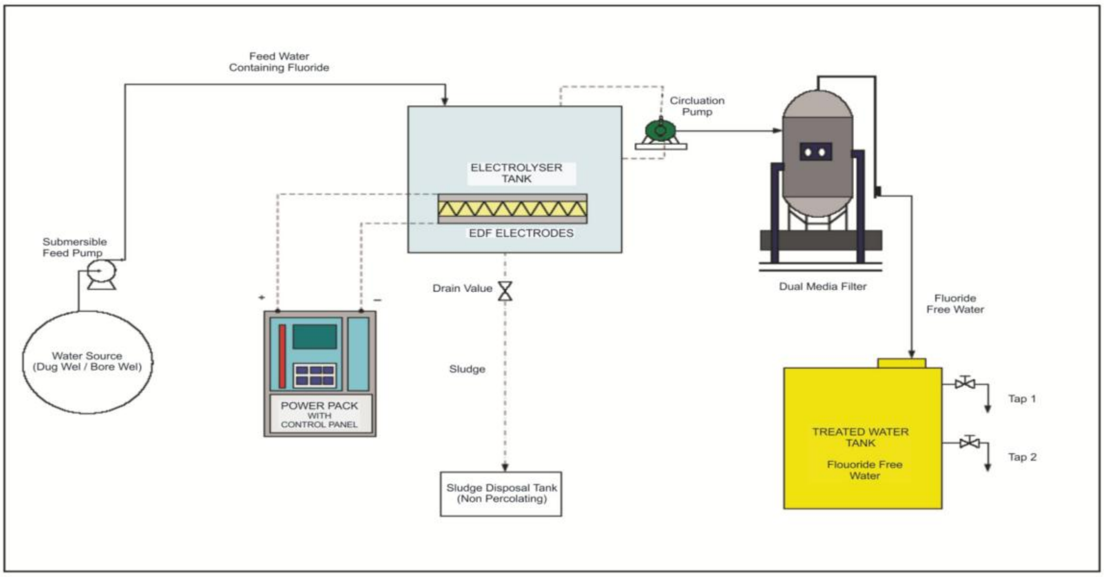
The schematic below shows a typical stages / components of a reverse osmosis plant:



2. Electro-coagulation:

Electro-coagulation is a water treatment technology that uses electrical current to remove contaminants such as fluoride, heavy metals, and suspended solids from water. The process involves passing an electrical current through metal electrodes that are typically made of iron or aluminum, which are submerged in the water. When the current flows through the electrodes, it causes the metal to dissolve into ions. These ions react with the contaminants in the water, neutralizing charges and forming flocs. As these flocs grow, they become heavy enough to settle out of solution or can be filtered out of the water. This technology is particularly effective for removing fluoride, as it binds the fluoride ions with aluminum, forming precipitates that can be easily separated from the water. Electro-coagulation is not only effective in treating a wide range of contaminants but also has advantages such as low operational costs, minimal chemical use, and environmental compatibility, making it an appealing option for enhancing water quality in various settings.

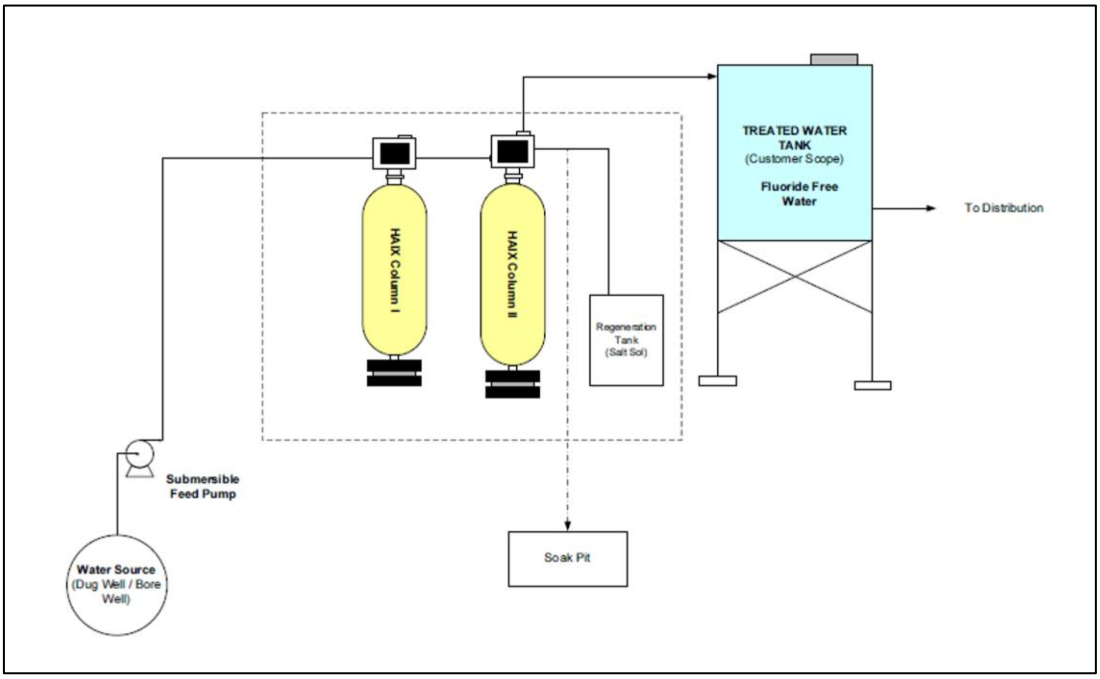
The schematic below shows a typical stages / components of an electro coagulation based de-fluoridation plant:



3. Nano technology:

Hybrid anion exchange ("**HAIX**") media based on iron/zirconium ("**Fe/Zr**") nanoparticles offer a solution for the removal of arsenic and fluoride from groundwater. These nanoparticles are engineered to enhance the adsorption properties of the media, making it highly effective at binding with arsenic and fluoride ions. The Fe/Zr nanoparticles act as strong adsorbents due to their large surface area and high affinity for these specific contaminants. When groundwater passes through the media, arsenic and fluoride ions are attracted to and held by the nanoparticles, effectively removing them from the water. This method is particularly advantageous because it combines the efficiency of nanoparticle adsorption with the practicality of anion exchange systems, resulting in a highly effective treatment solution that can be easily integrated into existing water treatment infrastructure.

The schematic below shows a typical stages/component of a nanotechnology based HAIX plant:

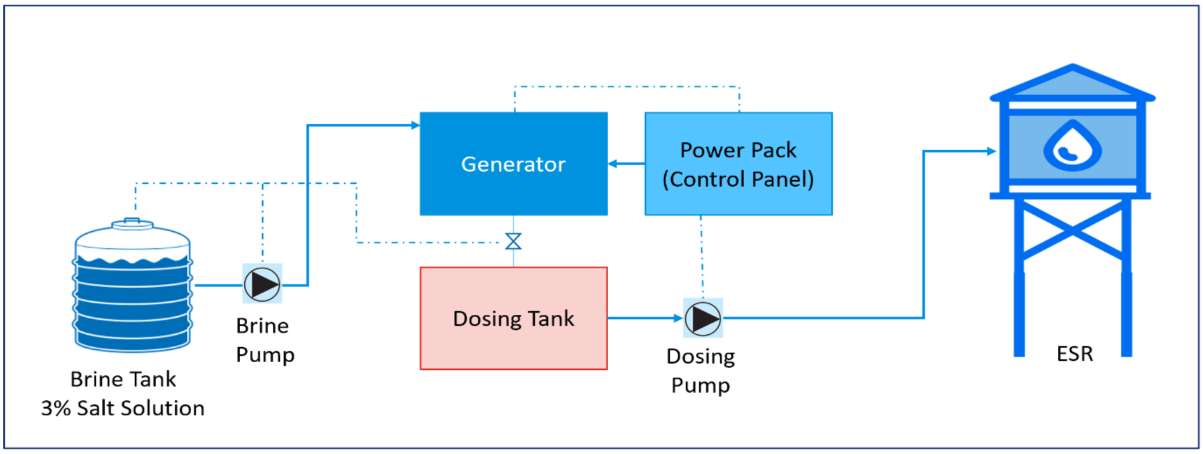


4. Electro-chlorination:

Electro-chlorination is a chemical process that uses electricity to convert saltwater into chlorine, hypochlorous acid, and sodium hypochlorite, which are effective disinfectants. This technology is widely used for water disinfection in various applications, including drinking water treatment, swimming pools, and cooling towers. The process involves passing an electric current through a saline solution, typically using a specially designed cell equipped with titanium electrodes. As the electric current passes through the cell, it electrolyzes the salt in the water, producing chlorine gas which, when dissolved in water, forms a disinfectant that effectively kills bacteria, viruses, and other micro-organisms. Electro-chlorination is valued for its safety and environmental benefits, as it eliminates the need to store and handle hazardous chemicals. Additionally, it can be scaled to meet different volume requirements, making it a versatile option for both small and large-scale water treatment systems. The actual reactions are complex, but the key reaction can be represented by the following equation:

$NaCl + H2O + energy \rightarrow NaOCl + H2\ (g)$

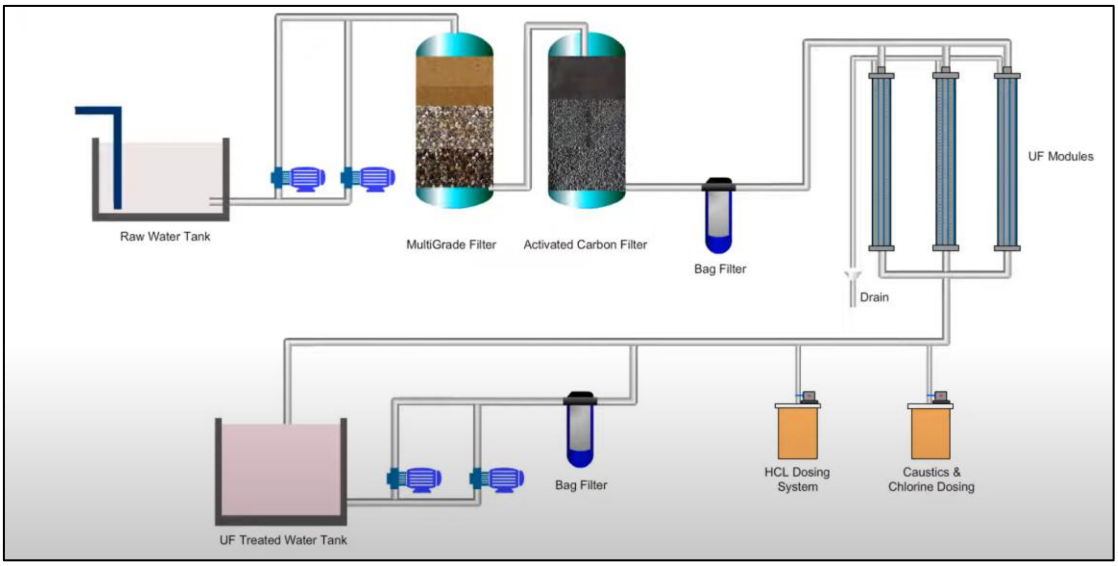
The schematic below shows a typical stages / components of an electro-chlorination plant:



5. Ultrafiltration:

An ultrafiltration ("**UF**") plant for drinking water treatment utilizes a membrane-based process that effectively removes suspended solids, bacteria, viruses, and other pathogens from water, making it safe for consumption. The technology employs hollow fiber or spiral-wound membranes with pore sizes typically ranging from 0.01 to 0.1 microns. As water passes through these semi-permeable membranes under pressure, the small pore size allows only clean water molecules to pass through while trapping larger particles, including colloids and macromolecules. This method does not require chemicals for filtration, making it environmentally friendly and suitable for producing high-quality drinking water. Ultrafiltration plant is very effective in communities where water contamination is a concern, providing a reliable solution that is easy to maintain and operate. The modular nature of UF systems also allows for scalability, accommodating the needs of both small villages and large cities efficiently.

The schematic below shows a typical stages / components of an ultra filtration plant:



6. Ion Exchange:

Ion exchange is an efficient method for removing a range of contaminants, including fluoride, arsenic, and nitrate, from water sources. This technology operates on the principle of exchanging undesirable ions in the water with harmless ones, using a resin infused with specific ion exchange sites. For fluoride and arsenic, specially treated resins attract and bind these harmful ions, replacing them with innocuous ions like chloride or hydroxide. Nitrates are similarly exchanged with other anions, such as chloride, effectively reducing their concentration in the water. The process is highly targeted, allowing for the selective removal of specific contaminants without altering the overall mineral balance of the water. Ion exchange is particularly beneficial for communities affected by these pollutants in their water supply, offering a reliable means of purification that can be adapted to varying flow rates and contaminant levels. Additionally, the ability to regenerate the resins extends the system's lifespan and enhances its cost-effectiveness, making ion exchange a sustainable choice for long-term water treatment.

7. Catalytic Oxidation

Catalytic oxidation is an effective method for removing iron from water, particularly useful in treating high iron concentrations. The process involves the conversion of soluble iron (ferrous iron) into its insoluble form (ferric iron) through oxidation, which can then be filtered out of the water system. This transformation is facilitated by the presence of a catalyst media, which accelerates the oxidation process without being consumed by it. Once the ferrous iron is oxidized to ferric iron, it forms precipitates that are large enough to be removed by sedimentation and filtration processes. Catalytic oxidation is preferred for its efficiency and speed in handling iron removal in drinking water treatment process to ensure clean, clear, and palatable water.

Solar agriculture solutions:

We offer comprehensive range of solar-powered solutions designed to support sustainable development in rural and agricultural sectors. By harnessing solar energy, our offerings aim to provide eco-friendly solutions for irrigation, water supply, and cold storage. These innovations not only reduce dependence on conventional energy sources but also enhance agricultural productivity, ensure access to clean water, and minimize post-harvest losses.

We specialize as a system integrator, undertaking comprehensive projects awarded by various state-run entities, including distribution companies, horticulture departments, and renewable energy departments. These projects are typically turnkey contracts, encapsulating a full spectrum of responsibilities from the supply and installation to the commissioning of solar-powered solutions. The scope of these projects often includes setting up solar pumps and solar-powered cold storage systems. A significant aspect of these contracts is that they also encompass comprehensive maintenance services for a duration of five years post-installation. This ensures not only the seamless operation of the installed systems but also provides continuous support and upkeep, thereby enhancing the sustainability and efficiency of the solutions provided. Our role as a system integrator allows us to effectively manage and execute these multifaceted projects, ensuring they meet the specific needs and standards set by the governmental bodies involved.

Set out below is our offerings portfolio focused on solar agriculture solutions:

Solutions	Applications and benefits
Solar irrigation pumps	Developed under the PM Kusum Scheme, these pumps empower farmers by providing a sustainable and cost-effective solution for their irrigation needs. These pumps run on solar energy, reducing dependency on diesel and grid electricity, which leads to lower operational costs and a significant reduction in carbon emissions. This solution helps ensure year-round farming and improved crop yields, enhancing farmers' income and promoting sustainable agriculture.
Solar cold storage systems	The solar-powered cold storage systems offer an innovative solution to reduce post-harvest losses in agriculture. These systems allow farmers to store their produce in a cost-effective and eco-friendly manner without relying on conventional electricity. By preserving the quality of perishable goods, these cold storage units enhance food security and provide farmers with better price realization for their produce.

IoT solutions:

We harness the power of IoT technology in our offerings. Our primary focus areas are in the domains of water and energy, as set out below:

Solutions	Applications and benefits
IoT based water monitoring solutions	Our IoT based water monitoring solutions represent an approach to manage water resources efficiently, as these systems harness the connectivity of IoT devices to collect, transmit, and analyse real-time data on water quality, usage, and system performance across various points water supply schemes. Sensors placed throughout the water distribution network measure critical parameters such as flow, residual chlorine, pressure etc. sending this data to centralized cloud platforms for analysis. This enables real-time monitoring and rapid response to any anomalies or contamination events, enhancing the safety and reliability of water supplies. IoT based water monitoring solutions also facilitate predictive maintenance strategies, reducing downtime and extending the lifespan of infrastructure by alerting maintenance teams to potential issues before they become critical.
IoT based energy (substation) monitoring solutions	Our IoT-based energy monitoring solutions for substations helps the way energy distribution is managed by leveraging real-time data acquisition and analytics. By integrating IoT sensors and devices throughout the substation infrastructure, these systems continuously monitor a variety of operational parameters such as voltage levels, current flows, power factors, and equipment temperatures. This data is then transmitted to a central management system where advanced analytics are applied to optimize the performance, detect anomalies, and predict equipment failures before they occur. Additionally, IoT-based monitoring supports automated control of substation components, enhancing response times to network changes or faults. This not only improves the reliability and efficiency of power distribution but also significantly reduces operational costs and downtime by facilitating preventative maintenance and efficient energy management.

Nature of Our Agreements

Customer Agreements

Our Company regularly enters into agreements for providing EPC services and project execution. These agreements typically involve responsibilities such as the design, supply, installation, and maintenance of systems or infrastructure, including water treatment and electro-chlorination systems. Such agreements include indemnification clauses, where our Company bears full liability for any third-party claims, including work-related injuries or defects, and is responsible for the defense of such claims. Additionally, our Company may be required to submit performance securities, adhere to milestone payment schedules, and provide comprehensive maintenance services. Our Company also has repayment obligations for fees in cases of gross negligence or misconduct on our part.

Vendor Agreements

Our Company regularly enters into agreements with service providers for availing specific tasks such as the installation and commissioning of solar systems. By way of such agreements, we appoint a service provider to install, test, and commission Solar Water Pumping Systems, based on their expertise and resources. Such agreements include an exclusivity clause that prevents the service provider from engaging with parties associated with similar businesses and our Company reserves the right to terminate the contract without notice in case of any breach. Our Company is required to pay service fees, which cover costs for installation, civil work, and the erection of structures required for the pumping systems.

Consortium Agreements

Our Company regularly enters into consortium agreements with various partners to collaboratively respond to tenders and execute projects. These agreements typically aim to jointly bid for projects or tenders issued by government or private organizations. Such agreements often include shared equity stakes, with our company frequently acting as the lead member, assuming responsibility for the overall performance and financial obligations. In cases of default or failure to meet obligations, the lead member is held liable for the consortium's commitments. The agreements also emphasize the need for performance guarantees, indemnification clauses, and liability for all members' actions, ensuring compliance with tender requirements and project execution.

Purchase orders received from our suppliers

We receive purchase orders from our suppliers to procure raw materials, and each order is accompanied by specific terms and conditions that may vary from one supplier to another. These terms and conditions typically include, but are not limited to warranty, payment mode, penalty on unpaid invoices, exchange and return policy, dispute jurisdiction, GST declaration, claim against damages and insurances.

Key government programs

We are actively involved in, or explore potential opportunities for involvement in, several key Government of India programs. Listed below are the schemes introduced by the Government of India, which aligns with our project offerings:

PM Kusum Scheme

In March, 2019, the Government of India launched the PM Kusum Scheme, with total INR 344,000 million (US$ 4,100 million) central financial support with the objective of installing 1.40 million standalone solar agriculture pumps in off-grid areas to provide energy security for farmers, reduce the consumption of diesel, promote the use of renewable energy in the agricultural sector and reduce environmental pollution. The PM Kusum Scheme also focuses on the solarization of 3.50M existing grid-connected agricultural pumps and provides subsidies to individual farmers who have grid-connected pumps to retrofit their pumps with solar panels. The PM Kusum Scheme aims to provide energy security to farmers, de-dieselize and promote the use of renewable energy in the agricultural sector and reduce environmental pollution. The PM Kusum Scheme focuses on solarizing 1.40M grid-connected agricultural pumps and provides subsidies to individual farmers who have grid-connected pumps to retrofit their pumps with solar panels. (*Source: 1Lattice Report*)

The PM Kusum Scheme was implemented by the MNRE in 2019 with three components:

(i) **Component A** - For setting up of 10,000 MW of decentralized grid connected renewable energy power plants on barren land. Under this component, renewable energy-based power plants ("**REPP**") of capacity 500 KW to 2 MW will be set up by individual farmers/ group of farmers/ cooperatives/ panchayats/ farmer producer organisations/ water user associations on land. The power generated will be purchased by state electricity distribution companies ("**DISCOMs**") at pre-fixed tariff. (*Source: 1Lattice Report*)

(ii) **Component B** - for installation of 1.75M standalone solar agriculture pumps. Individual farmers will be supported to install standalone solar agriculture pumps of capacity up to 7.5 HP for replacement of existing diesel agriculture pumps / irrigation systems in off grid area, where grid supply is not available. (*Source: 1Lattice Report*)

(iii) **Component C** - for solarisation of 1M grid connected agriculture pumps including feeder level solarization. Under this component, individual farmers having grid connected agriculture pumps will be supported to solarise pumps. The farmers will be able to use the generated solar power to meet their irrigation needs and excess power will be sold to DISCOMs at prefixed tariff. The MNRE by way of order dated August 1, 2022, extended the PM Kusum Scheme till December 31, 2026 along with certain amendments to the implementation guidelines of the Scheme. On January 17, 2024, the MNRE has notified comprehensive guidelines for the implementation of the PM Kusum Scheme. (*Source: 1Lattice Report*)

We have received an order for 12,000 pumps installation from a government organisation and an order for 14,500 pumps installation from another government organisation in the State of Maharashtra under the PM Kusum Scheme – Component B.

Jal Jeevan Mission

The Jal Jeevan Mission is a flagship initiative by the Government of India, launched in 2019 with the goal of providing every rural household with a functional tap water connection by 2024, with an allocated budget of INR 3.6T (US$ 44B). The mission aims to ensure a reliable supply of clean and adequate drinking water, promoting public health and improving quality of life in rural communities. With over 140 million households already connected to tap water, Jal Jeevan Mission plays a critical role in addressing water scarcity and ensuring the long-term sustainability of water resources through rainwater harvesting, groundwater recharge, and water conservation efforts. It aims to provide safe and adequate drinking water through individual household tap connections by CY24, supported by substantial government funding. The mission drives demand for high-efficiency water pumps, including solar-powered options, to ensure sustainable water supply. Particularly in rural and remote areas, this mission supports improved living standards and health outcomes. Investments in water infrastructure with an outlay of INR 3.6L Cr create opportunities for pump manufacturers to supply the necessary equipment., the mission offers a significant market for both conventional and solar water pumps, fostering growth and innovation in the pump industry. (*Source: 1Lattice Report*)

We have tailored various products and solutions with the objectives of the Jal Jeevan Mission, particularly in providing decentralized water purification systems and large-scale water supply schemes. Our range of water treatment technologies—such as reverse osmosis, ultrafiltration, and electro-chlorination systems—are designed to meet the needs of rural areas, ensuring access to safe drinking water.

As of December 31, 2024, we had 6,712 installations under the Jal Jeevan Mission and have completed eight schemes covering 28 villages a part of our water IoT offerings.

Namami Gange

Namami Gange is an integrated conservation mission launched by the Government of India to rejuvenate the Ganga River through initiatives like sewerage treatment, river-front development, and biodiversity enhancement. Key components of the mission include river-surface cleaning, afforestation, public awareness, industrial effluent monitoring, and the development of Ganga Gram. Under this mission, various programs and projects are implemented to improve water quality and enhance the ecosystem. National Mission for clean Ganga is an initiative under the Namami Gange mission, launched in 2014 with the aim of rejuvenating and conserving the Ganga River, with a budget allocation of INR 200,000 million (US$ 2,500 million). (*Source: 1Lattice Report*)

Manufacturing, assembling and commissioning Process

In our asset-light business model, we focus on manufacturing specific core components essential to our operations. The manufacturing processes for our electro-chlorination plants and water purification systems outlined below are designed to be streamlined and efficient.

1. Electro-chlorination plant

   The primary components of the electro-chlorination plant include:

   - Electrolyser tank;
   - Dosing tank;
   - Electrolytic cell;

- Power pack; and
- Dosing pumps

All major components, apart from the dosing pumps and power pack, are produced onsite at our manufacturing facility.

The flowchart below provides a brief overview of our manufacturing, assembling and commissioning process for our electro chlorination plant:

Process	Explanation
Electrolytic cell manufacturing	
Cell manufacturing	(i) Material preparation: • Cut grade I titanium sheets into the required sizes for cell plates. (ii) Coating: • Apply a multi-metal solution coating to the titanium sheets to enhance their conductivity and corrosion resistance. (iii) Heat Treatment: • Place the coated titanium plates in a furnace and heat them to a specified temperature for a predetermined time; and • Remove the plates from the furnace and allow them to cool. (iv) Drilling: • Drill holes into the titanium plates at specified spots for assembly and fixture. (v) Assembly: • Weld the plates together to form a bipolar cell; and • Join the cell plates using teflon fasteners and bushes to maintain a specified gap between each plate.
Cell enclosure	(i) Enclosure Preparation: • Cut a PVC pipe to the specified diameter and length according to the size of the cell. (ii) Drilling: • Drill holes into the PVC pipe at specified intervals for wiring and assembly. (iii) Assembly: • Place the electrolytic cell inside the PVC pipe enclosure; • Fix PVC flanges with pre-drilled holes on both ends of the enclosure; • Connect electrical wires to the ends of the cell; and • Attach pipes on both ends and route the cell wires through them. (iv) Final Assembly: • Weld the pipes to the flanges to ensure a secure and leak-proof enclosure.
Electrolyser and dosing tank manufacturing	
Material preparation	(i) Cut PVC sheets to the specified size using a precision cutting tool.
Surface preparation	(i) Perform rough grinding on the PVC sheets to ensure a clean surface for effective welding; and (ii) Perform grooving on the sheets where bends or folds are required.

Process	Explanation
Shaping	(i) Bend the sheets into the required shape, whether rectangular or cylindrical, using a sheet-bending machine.
Welding	(i) Weld the bottom of the tank to the body from the outside to form the initial seal; (ii) Attach the collar to the tank using a suitable PVC welding technique; and (iii) Reinforce the structure by providing supports for welding on the tank.
Coating	(i) Apply a resin coat to the welded tank to seal and protect the joints; and (ii) Layer the tank with a fiber mat and follow up with another resin coat for additional protection and strength.
Internal Welding	(i) Weld the bottom of the tank to the body from the inside to ensure double protection against leaks.
Leak testing	(i) Conduct spark testing to detect any pinhole leaks; and (ii) Fill the tank with water to test for any leakage.
Integration and testing with power pack and dosing pumps	
Power pack integration	(i) Installation: • Position the power pack near the electrolyser tank and connect it to the electrical control panel; and • Ensure all electrical connections are secure and meet safety standards. (ii) Testing: • Power on the system to test the functionality of the power pack with the electrolyser; and • Check for any electrical anomalies and ensure smooth operation.
Dosing pumps integration	(i) Installation: • Install the dosing pumps in conjunction with the dosing tanks; and • Connect the pumps to the tanks using appropriate fittings and tubing. (ii) Testing: • Prime the pumps and commence a test run to verify accurate dosing and flow rates; and • Check for leaks and ensure the pumps are delivering the correct dosage as per specifications.
System calibration and final testing	(i) System calibration: • Calibrate the entire system including electrolyser, dosing pumps, and power pack for optimal performance; and • Adjust settings as necessary to meet the desired output specifications. (ii) Final testing: • Run the complete system to simulate actual operating conditions; • Monitor the system for a predetermined period to ensure stability and performance under continuous operation; and • Document all test results and adjust as necessary.
Documentation and training	
Operational manuals and documentation	(i) Provide detailed operational manuals covering all aspects of operation, maintenance, and troubleshooting; and (ii) Include safety guidelines and emergency procedures.

Process	Explanation
Client training	(i) Train client personnel on the proper operation, routine maintenance, and safety procedures of the electro chlorination plant.

2. Reverse osmosis plant and water purification plant

The manufacturing and assembly of a reverse osmosis plant and water purification plants involves several detailed steps, ranging from the design phase to final testing and commissioning. The flowchart below provides a brief overview of our manufacturing, assembling and commissioning process for our reverse osmosis plant and water purification plants:

Process	Explanation
Design and planning	• Requirements gathering: Assess the needs based on water source, desired output quality, and capacity; • System design: Design the overall system layout, including RO membranes, pressure vessels, pumps, pipes, and control systems; • Component selection: Choose appropriate components based on performance, reliability, and compatibility; and • Engineering drawings: Prepare detailed engineering drawings and schematics for the assembly and installation process.
Procurement	• Material sourcing: Procure all necessary materials and components, including membranes, filters, pumps, pressure vessels, and control panels; and • Quality check: Inspect all received materials for quality and specifications compliance.
Component manufacturing	• Skid fabrication: Fabricate the frame or skid that will hold all the RO plant components; and • Piping and fittings: Cut and prepare all piping according to the system design.
Assembly	• Skid assembly: Mount all components such as pumps, filters, pressure vessels, and membranes onto the skid as applicable; • Piping installation: Connect all components with the necessary piping, ensuring proper flow paths and leak-proof connections; • Electrical and control wiring: Install electrical wiring, sensors, and control panels. Ensure all components are correctly integrated for automated operation.
Testing and quality control	• Pressure testing: Perform pressure tests on pipes and vessels to ensure there are no leaks; • System integration testing: Check the integration of electrical and control systems; and • Performance testing: Run the system using water to ensure the RO plant is achieving the desired water purity and flow rates.
Shipping and installation	• Disassembly for shipping (if required): Disassemble the plant or certain components for easier and safer transportation; • Packing and shipping: Securely pack all components and ship them to the installation site; and • On-site assembly: Reassemble the components at the client's location.
Commissioning	• System flush: Flush the system with water to remove any contaminants from manufacturing and assembly; • Operational testing: Conduct thorough testing to ensure the plant is functioning as intended under normal operating conditions; and • Client training: Train the client's staff on operating and maintaining the RO plant.
Maintenance setup	• Maintenance scheduling: Establish a routine maintenance schedule to ensure long-term operation; and

Process	Explanation
	• Spare parts provision: Provide a list and spare parts for critical components to minimize downtime.
Documentation	• Operational manuals: Provide detailed manuals for operation, troubleshooting, and maintenance; and • As-built drawings: Deliver updated drawings reflecting the as-built status of the RO plant.

O&M operations

We offer O&M services for our projects, ensuring long-term sustainability and efficiency. O&M services ensure that all installed systems, from water purification units to solar-powered solutions, continue to function efficiently with minimal disruptions. By offering comprehensive support that includes regular monitoring, maintenance, and timely repairs, we reduce system downtimes and extend the lifespan of the equipment. This ensures efficiency of the systems and provides a stable, long-term revenue stream through service contracts, ensuring the reliability and performance of the projects beyond the initial installation phase.

Set forth below is our revenue from O&M services:

Particulars	Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from O&M services (in ₹ million)	83.12	178.28	190.72	190.95

Capacity and utilisation

We have limited production capacity as our business operations mostly comprise assembling processes. Our manufacturing facility is located on a leasehold land at plot no. K-60, MIDC, Nagpur. The table below sets forth certain information relating to the installed capacity, actual production and capacity utilisation for the years indicated:

Category	Nine months ended December 31, 2024*			Fiscal 2024			Fiscal 2023			Fiscal 2022**		
	Installed capacity (in number of units)	Actual product (in number of units)	Capacity utilisation (in %)	Installed capacity (in number of units)	Actual product (in number of units)	Capacity utilisation	Installed capacity (in number of units)	Actual product (in number of units)	Capacity utilisation	Installed capacity (in number of units)	Actual product (in number of units)	Capacity utilisation
Electro chlorinators	4,500.00	4,051.00	90.02%	6,000.00	5,050.00	84.17%	6,000.00	3,100.00	51.67%	6,000.00	0.00	0.00%

** Not annualised*

*** The actual production for Fiscal 2022 is nil as our Company did not receive any orders for production of Electro Chlorinators during Fiscal 2022*

Notes:

(i) The information relating to the installed capacity as of dates indicated above are based on various assumptions and estimates that have been considered for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of manufacturing industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing facility.

(ii) The actual production details mentioned are a function of the orders received.

(iii) The capacity utilization has been calculated on actual production during the relevant year/period divided by the installed capacity of the manufacturing unit for the relevant year/period.

Our Customers

We have a diversified customer base across industry sectors and geographies. As of December 31, 2024, we had 22 government and one private client from whom we have received orders spread across the states of Maharashtra, Rajasthan, Madhya Pradesh, Chhattisgarh, Arunachal Pradesh, Jharkhand, Bihar and West Bengal.

We procure our orders through competitive bidding process and ensure to deliver quality solutions/technology and services at least possible costs. We focus on projects which form part of programs of central and/or state governments which ensure adequate commitment to the said projects by the concerned governments, which also ensures better financial discipline.

Once we get the order, our project execution team prepares a blueprint of way forward with timelines to ensure in time delivery with full attention to the delivery of benefits to the target beneficiaries. We have well established systems and a periodic review is taken to ensure that the project execution is well within the permissible timelines and that helps in keeping the level of receivables within the desired limits.

We are a system integrator and enter into various unincorporated joint-ventures and consortium agreements with several other manufactures and technology providers so that, not only it can become eligible for various contracts, but it can also execute the procured orders/contract within time and up to the quality standards as required. The table set forth below sets out details of the number of consortiums and their contribution to our revenue for the nine-month period ended December 31, 2024 and last three Fiscals:

Particulars	**Nine-month period ended December 31, 2024**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Number of consortiums	5	3	-	-
Revenue contribution (in ₹ million)	2,089.02	421. 72	-	-
% to revenue from operations (in %)	68.34	20.80	-	-

Our Company operates through a balanced focus on government partnerships while selectively engaging in private sector opportunities to broaden its reach and enhance impact. These government projects serve as a foundation and often open pathways for additional private sector opportunities. With a track record established through government collaborations, our Company attracts private clients seeking similar solutions, allowing it to procure both direct and indirect private sector projects from existing government clients. While government projects are the primary focus, selective private engagements provide an avenue to leverage existing products and capabilities, enabling our Company to serve a wider market and reinforce its mission across public and private sectors.

The table below sets forth our revenue from our top 10 customers for the years indicated:

Customer	**Nine-month period ended December 31, 2024**		**Customer**	**Fiscal 2024**		**Customer**	**Fiscal 2023**		**Customer**	**Fiscal 2022**	
	Amount (in ₹ million)	**% of revenue from operations**		**Amount (in ₹ million)**	**% of revenue from operations**		**Amount (in ₹ million)**	**% of revenue from operations**		**Amount (in ₹ million)**	**% of revenue from operations**
State Water and Sanitation Mission	823.08	26.93%	State Water and Sanitation Mission	1340.46	66.11%	State Water and Sanitation Mission	652.32	54.62%	Customer 1*	186.31	24.26%
Maharashtra Energy Development Agency	776.44	25.40%	Maharashtra State Electricity Distribution Company Limited	265.53	13.10%	Customer 2*	137.15	11.48%	Customer 2*	104.12	13.55%
Maharashtra State Electricity Distribution Company Limited	687.16	22.48%	Customer 3*	64.83	3.20%	Customer 3*	110.56	9.26%	Public Health Engineering Department, Purnea	84.55	11.01%
Customer 4*	458.78	15.01%	Customer 4*	54.39	2.68%	Public Health Engineering Department, Purnea	37.94	3.18%	Customer 4*	53.28	6.94%
Ceinsys Tech Limited	89.67	2.93%	Maharashtra Energy Development Agency	48.34	2.38%	Public Health Engineering Department, Bharatpur	30.87	2.58%	Public Health Department, Jamui	33.83	4.40%
Customer 6*	56.46	1.85%	Customer 6*	37.94	1.87%	Public Health Engineering Department, Banka	26.80	2.24%	Customer 6*	30.74	4.00%

Customer	Nine-month period ended December 31, 2024		Customer	Fiscal 2024		Customer	Fiscal 2023		Customer	Fiscal 2022	
	Amount (in ₹ million)	% of revenue from operations		Amount (in ₹ million)	% of revenue from operations		Amount (in ₹ million)	% of revenue from operations		Amount (in ₹ million)	% of revenue from operations
Ozone Research and Application India Private Limited	35.24	1.15%	Customer 7*	33.90	1.67%	Customer 7*	23.51	1.97%	Customer 7*	27.72	3.61%
Public Health Engineering Department, Purnea	26.02	0.85%	Customer 8*	25.11	1.24%	Customer 8*	19.91	1.67%	Public Health Engineering Department, Banka	27.38	3.56%
Public Health Department, Jamui	14.64	0.48%	Customer 9*	23.37	1.15%	Public Health Department, Jamui	18.29	1.53%	Public Health Department, Bharatpur	27.02	3.52%
Public Health Engineering Department, Banka	11.12	0.36%	Public Health Engineering Department, Banka	19.96	0.98%	Customer 10*	15.45	1.29%	Customer 10*	19.98	2.60%

* *Names have not been disclosed here due to non-receipt of consent.*

Bidding / Tender Process

We secure most of our orders through tender-based contracts for government projects in water, solar agriculture, and IoT solutions. These contracts are primarily of two types: (i) item-rate contracts, wherein the payments are made based on actual work done, thereby reducing the financial risk; or (ii) fixed-price contracts, wherein a single price is quoted for the entire the project, with provisions for price variations in specific cases. Both of these contracts are awarded via competitive bidding, the process of which is set forth below:

1. **Pre-Bidding Stage**

- Regular monitoring of e-procurement portals and newspapers to identify viable projects.
- Tender department evaluates project feasibility, including location, complexity, profitability, and eligibility criteria.
- Forms joint ventures or consortium, if needed, to meet eligibility requirements.
- Prepares competitive bids through detailed analysis of tender documents, site visits, and cost estimation.

2. **Bidding Stage**

- Involves design and build, requiring our Company to develop project designs and estimate costs.
- Earnest money deposit ("**EMD**") (up to 2% of contract value) is provided via bank guarantees/demand drafts/fixed deposit receipts/cash deposits.
- Price competitiveness and technical pre-qualification are key to winning bids.

3. **Post-Award Stage**

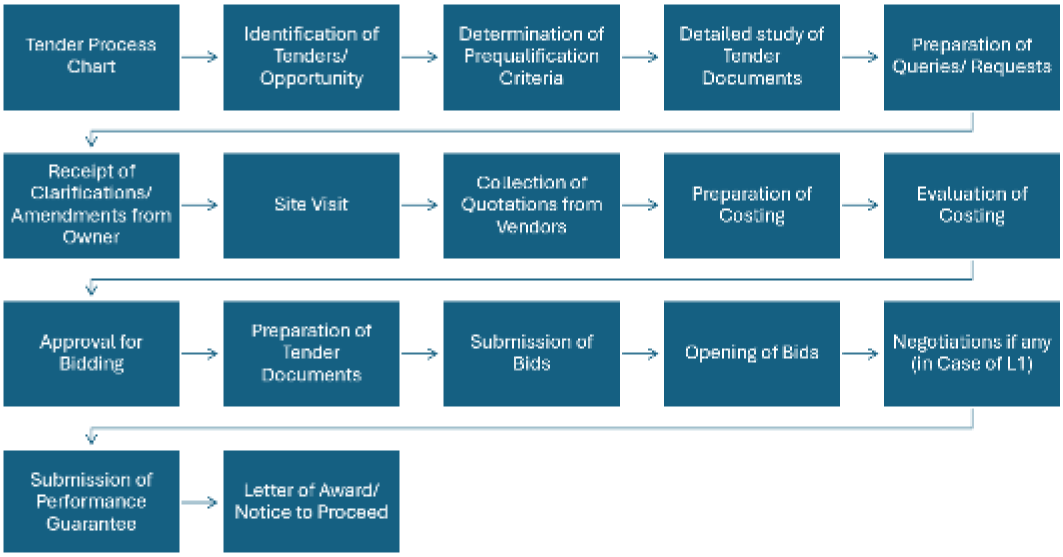
- Work orders are issued to commence the project.
- Performance security (3-5% of contract value) is provided via bank guarantees/ fixed deposit receipts.
- The engineering team prepares designs and schedules; procurement of materials is centrally managed.

- Construction activities are executed under close monitoring, with periodic joint surveys and invoice submissions for payment.

4. **Completion Stage**

- Post-construction, equipment trials and commissioning are conducted.
- Projects are maintained during a defect liability period (12–60 months) and operation & maintenance as required.

The schematic below shows the stages involved in bidding / tender process:



Following is the support functions carried as a part of the tender execution process:

- Design & Engineering: An in-house team develops structural designs, prepares BOQs, and oversees project execution.
- Procurement: Materials like pipes, pumps, and transformers are sourced centrally from trusted vendors with bulk buying to ensure timely delivery.
- Project Monitoring: A dedicated team tracks project progress, controls costs, and prepares reports to avoid delays or overruns.
- Billing: Joint measurements and certifications ensure timely invoice submission and vendor payment processing.

Acquisition of customers in case of Solar Pumps

We first get empanelled by public sector undertaking, and then, based on the requirements of each state, the state implementing agency will issue Letter of Empanelment ("**LOEs**") to various selected vendors, and these vendors would be required to get farmers to select the vendor. We are one of the vendors and after joint inspection by the department followed by selection of vendor by the farmer on e-portal of the implementing agency and deposit of farmer's contribution, the notice to proceed is issued to the vendor which is the final work allocation order.

Our Order Book

As of December 31, 2024, our Order Book was ₹ 17,231.34 million.

Our Order Book comprises anticipated revenue from the unexecuted portions of existing contracts (including signed contracts for which all pre-conditions to entry into force have been met and letters of acceptance issued by the customer prior to execution of the final contract).

The following table summarizes our Order Book as of December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022:

Particulars	Outstanding as of December 31, 2024 (in ₹ million)	% of total Order Book	Outstanding as of March 31, 2024 (in ₹ million)	% of total Order Book	Outstanding as of March 31, 2023 (in ₹ million)	% of total Order Book	Outstanding as of March 31, 2022 (in ₹ million)	% of total Order Book
Water solutions	4,870.71	28.27%	4,759.56	29.06%	3,663.42	100.00%	1,587.39	100.00%
Solar agriculture solutions	7,545.82	43.79%	8,949.49	54.64%	-	-	-	-
IoT solutions	4,814.81	27.94%	2,668.56	16.29%	-	-	-	-
Total Order Book	17,231.34	100.00%	16,377.60	100.00%	3,663.42	100.00%	1,587.39	100.00%

Note: *The outstanding amount is total un-executed Order Book size at the end of the respective period*

Manufacturing Facility

We have one manufacturing facility at Nagpur. Our manufacturing facility is located on a leasehold land. A description of our manufacturing facility is set forth below:

Unit	Location	Commissioning Date	Covered Area (sq. m.)	Headcount	Type of solutions	Name of the lessor
Manufacutirng	Plot No. K-60, MIDC, Nagpur	2006	600	18	Electro chlorinators assembly of water IoT components and water treatment plants	Maharashtra Industrial Development Corporation

Our manufacturing facility is equipped with machinery and equipment such as furnace, welding machine, drilling machine, tig welding machine for creation of titanium plates required for electro chlorinators, tig welding torch.

Our manufacturing facility is accredited with ISO 9001:2015 (quality management system) certification.

For details on capacity and utilisation, please see - *"Our Business – Capacity and Utilisation"* on page 234.

Raw Materials and Components

Our principal raw materials purchased, and products purchased for manufacturing and providing services with respect to the water solutions, solar agriculture solutions offered by us, includes AC DC Converter (SMPS), Invertor & Battery, Cell EC, Power supply unit, Dosing Pump, Plastic Tank, solar pumps, electro chlorination, solar photovoltaic panel. The purchase of raw materials and components accounts for a significant portion of our expenses. We evaluate our vendors based on various factors including timely delivery, consistent quality, capacities, favourable commercial terms. Our quality control processes involve machine trials, ensuring that suppliers meet our quality standards. This process ensures consistency in the quality of our offerings, while maintaining flexibility to source materials domestically or internationally, depending on market conditions and vendor competitiveness.

Sales and Marketing

Our company frequently receives orders from government clients that require us to engage in door-to-door marketing to fulfil the demands of these orders. For instance, when we are tasked with an order of 12,000 pumps under the PM Kusum Scheme, it is our responsibility to identify and reach out to 12,000 farmers who would benefit from the pumps. Once we have successfully connected with the farmers and facilitated the distribution of the pumps, the government then processes the payment for the entire order. This approach ensures that the government's initiatives to support local agriculture are implemented effectively, while also requiring us to actively engage with the target market as per the requirement of the work orders.

Logistics

Our Company has entered into agreement with a third-party logistics provider on November 5, 2024, to act as our carrying and forwarding agent for Jalna area with effect from November 11, 2024 till completion of Kusum project phase 3 of the Government of India. Additionally, we also have arrangements with third-party transportation and logistics providers on purchase order basis for transport of our offerings by road. As of December 31, 2024, and Fiscal 2024, Fiscal 2023 and Fiscal 2022, our consolidated freight, clearing and forwarding expenses of our consolidated total expenses are set forth in the table below:

Particulars	Nine months ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ million)	Percentage of expenses (%)	Amount (₹ million)	Percentage of expenses (%)	Amount (₹ million)	Percentage expenses (%)	Amount (₹ million)	Percentage of expenses (%)
Transport, freight and carting expenses	5.52	0.26	8.10	0.59	12.40	1.45	12.06	1.71

Quality Assurance and Quality Control

We have implemented a quality control mechanism through our quality control department to ensure compliance with quality standards and customer requirements. We examine the products at each stage of the manufacturing process to ensure that there are no defects from previous stages. Our products undergo rigorous design and testing processes to meet the stringent quality standards set by the International Organization for Standardization. Further, our manufacturing facility is accredited with ISO 9001:2015.

Corporate Social Responsibility

Our Company's CSR initiative focuses on creating a self-sustaining model village by addressing six key life verticals: agriculture, infrastructure, healthcare, education, dairy, and energy. The project includes innovative solutions such as smart farming practices such as use of drones for irrigation in agriculture, and digital primary healthcare, solar cold storage for agriculture, cattle monitoring systems help improve farming productivity and livestock management. By integrating cutting-edge technology like IoT and digital tools, our Company empowers the community with sustainable resources and services, improving quality of life and fostering economic independence.

Our contributions under corporate social responsibility for the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 were ₹ 5.43 million, ₹ 4.35 million, ₹ 3.09 million and ₹ 2.76 million, respectively.

Environment, Health and Safety

Our Company aims to maintain strong ESG standards and to uphold our vision statement: "To drive transition towards a sustainable and resilient future by integrating innovative solutions in the realms of water, solar energy, IoT, clean energy, and rural transformation."

We are subject to national, regional and state laws and government regulations in India. Laws and regulations in relation to safety, health and environmental protection. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our offerings, including the process of manufacture, storage and distribution of such offerings, are subject to numerous laws and regulations in relation to quality, safety and health. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees.

We strive to manage the potential risks associated with such laws and regulations through our operational controls, environmental monitoring and routine risk assessment and mitigation processes. We aim to adopt the best available environment, health and safety practices and also engage with our suppliers to promote new approaches to reduce our environmental impact. Further, our manufacturing facilities is accredited with ISO 9001:2015 (quality management system).

We work towards a safe and healthy workplace and provide our employees with the benefits, resources and flexibility to maintain and improve their wellness. Our Company has adopted environment, health and safety policy in its Board meeting dated January 31, 2025. Additionally, our solutions support nine Sustainable Development Goals (SDGs), including efforts to address water scarcity, clean energy access, and climate change mitigation. Beyond direct environmental benefits, we empower communities with essential resources, transforming underserved regions and fostering economic development through innovative, cost-effective solutions.

Utilities

Our manufacturing facility relies on substantial amount of water and power consumption, primarily sourced from the local state power grid. As of December 31, 2024, and Fiscal 2024, Fiscal 2023 and Fiscal 2022, our consolidated electricity and fuel expenses were ₹ 10.91 million, ₹ 31.19 million, ₹ 27.62 million and ₹ 29.10 million, respectively, which represented 0.51%, 2.29%, 3.23% and 4.14% of our consolidated total expenses.

Information Technology

Our information technology framework leverages a suite of integrated tools to streamline operations and enhance efficiency. Advanced data visualization tools provide real-time insights, supporting informed decision-making across various departments.

A cloud-based enterprise resource planning (ERP) system forms the backbone of resource management, optimizing workflows and enabling seamless coordination. For human resources management, we utilize cloud-based software to automate payroll, performance tracking, and employee engagement processes. Additionally, a custom-developed mobile application supports in-house quality assurance, offering on-the-go access to essential metrics and inspections. A secure cloud-based storage solution ensures safe and scalable management of critical business data. Together, these technologies foster an agile, data-driven environment committed to operational excellence.

Insurance

Our operations are subject to risks inherent in the Clean-tech industry, such as equipment failure, defects in offerings, liability for product and/or property damage, fire, earthquake, flood and other force majeure events, loss for products in transit, explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We also maintain a marine insurance policy that insures consignments of goods by rail /road and by courier or post. We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate and consistent with industry standards in India.

Competition

We are the only player in India with presence across the water solutions, solar agriculture, and IoT sectors (*Source: 1Lattice Report*). While no single competitor directly mirrors our comprehensive approach, we can identify specialized peers in each of the core areas:

(i) Water Solution includes Ion Exchange (India) Limited, Va Tech Wabag Ltd, EMS Limited and Enviro Infra Engineers Limited (*Source: 1Lattice Report*);

(ii) Solar Agricultural Solutions includes Shakti Pumps (India) Limited (*Source: 1Lattice Report*);

(iii) IoT Solutions includes Ceinsys Tech Limited (*Source: 1Lattice Report*).

Human Resources

As of December 31, 2024 we had 282 employees**.** The table below sets out details of our employees by function for the periods indicated:

Department	**Number of employees as of December 31, 2024**
Management	4
Project Management	53
Projects and Site Execution	163
Admin	10
Human Resources	2
Business Development	2
Accounts and Finance	19
Design and Engineering	2
Plant Operations	16
Quality and Inspection	2
Procurement and Logistics	7
IT and MIS	2
Total	**282**

The table below provides the attrition rate for our employees, key managerial personnel and senior management personnel for the periods indicated:

(in % unless otherwise indicated)

Particulars	**Nine-month period ended December 31, 2024**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Number of employees	282	188	117	119
Employee attrition rate	20.36%	22.63%	20.18%	20.16%
Key Managerial Personnel attrition rate	-	-	-	-
Members of Senior Management attrition rate	-	-	-	-
Skilled employees attrition rate	20.36%	22.63%	20.18%	20.16%

As of the date of this Draft Red Herring Prospectus, we do not have recognized trade unions at our manufacturing facility. We have not experienced any material work stoppages due to labour disputes or cessation of work in the last three Fiscal years.

Impact data

In terms of the W2AF SSSHA Agreement, W2AF and our Company have agreed to enter into a "Policy Rights Agreement" before filing of the updated draft red herring prospectus with SEBI, which shall be updated in the Red Herring Prospectus. This agreement will establish the "**Impact Data Publishing Policy**", which shall outline the specific impact-related data our Company must publish about its projects such as name of state, number of plants under operation and maintenance, total population served, average number of liters treated per plant per day, and liters per person as per scheme. The data shall be published subject to appropriate assumptions as may be deemed necessary by our Company, which shall be disclosed in the publication. In respect of the information that shall be published by our Company pursuant to the Policy Agreement and the Impact Data Publishing Policy, our Company shall ensure that all the provisions/ requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 are complied with. Further, our Company shall publish the required information under the Impact Data Publishing Policy on the Stock Exchanges or notify on our Company's website.

Intellectual Property

As on the date of this Draft Red Herring Prospectus, we have six registered trademarks in India under class 11 and 45. Further, two trademark applications have been opposed and four trademark applications have been objected. A trademark application for our new logo "राईट वॉटर" under class 11 has been made by us on November 29, 2024. The registered trademark of our previous logo is under the name of Abhijeet V. Gan and we have also entered into a Trademark License Agreement dated September 28, 2023 with Abhijeet V. Gan for the use of logo. Also, see, *"Risk Factors – We have made a trademark application for our logo* राईट वॉटर *on November 29, 2024, and our inability to procure registration of the same or to protect any of our intellectual property rights including misappropriation, infringement or passing off of our intellectual property, could have an adverse impact on our business"* on page 38.

Properties

Offices

Our registered office and manufacturing facility is located at K-60, MIDC Industrial Area, Hingna Road, Nagpur - 440016, Maharashtra, India and corporate office is located at Shree Vasant Enclave, Plot No. 81, The Posts & Telegraphs Employees Co-operative Housing Society Limited, Cement Road, Pratap Nagar, 440022.

The table below provides leased details of our Registered Office, Corporate Office, residential properties, manufacturing and warehousing facilities:

Sr. No.	Address	Leasehold/Freehold	Details of Agreement	Whether lessor is related party or not	Duration/period of lease	Nature/Use
1.	401-403, 4th Floor, Mint Chambers, GPO, Fort, Mumbai – 400001, Maharashtra, India	Leasehold	Name of the Licensor: Lexcorp Associates Date of Leave and License Agreement: January 9, 2025	No	36 months from January 9, 2025 to January 8, 2028	Office
2.	M/s Guru Kripa Industries, Plot No. N-97, Nagpur (Hingna) Industrial Area – 440016, Maharashtra, India	Leasehold	Name of the Licensor: Shri Anil Manoharlal Gupta Date of Leave and License Agreement: January 13, 2025	No	3 months from January 13, 2025 to April 9, 2025	Warehouse
3.	Plot No. 34B, Govind Nagar, Opposite Mangal Vihar, Hasampura Road, Bhankrota, Jaipur – 302026, Rajasthan, India	Leasehold	Name of the Licensor: Meera Sharma Date of Rent Agreement: October 16, 2024	No	11 months from October 15, 2024 to September 15, 2025	Warehouse
4.	Plot No. 49,50,51,52, Shri Arjun Nagar, Mukundpura Road, Bhankrota, Jaipur – 302026, Rajasthan, India	Leasehold	Name of the Licensor: Kamlesh Sharma Date of Rent Agreement: April 22, 2024	No	11 months from May 1, 2024 to March 31, 2025	Warehouse

Sr. No.	Address	Leasehold/Freehold	Details of Agreement	Whether lessor is related party or not	Duration/period of lease	Nature/Use
5.	Plot/Shed/Gala/Unit No. Xl - 72/2, Nagpur (Hingna) Industrial Area, Sonegaon (Seem), Nagpur – 441110 Maharashtra, India	Leasehold	Name of the Lessor: Maharashtra Industrial Development Corporation Date of Lease Agreement: July 16, 2019	No	95 years from March 1, 2017 to March 1, 2112	Warehouse
6.	Godown No. 220, E6, Bhumi World Industrial Park, Pimplas, Bhiwandi, Thane - 421311, Maharashtra, India	Leasehold	Name of the Licensor: Prajapati Ramesh Jagdish Date of Leave and License Agreement: August 19, 2022	No	36 months from August 22, 2022 to August 21, 2025	Warehouse
7.	Plot No. 53,54,55,55A, Shri Arjun Nagar, Mukundpura Road Basri, Bhankrota, Jaipur – 302026, Rajasthan, India	Leasehold	Name of the Licensor: Suresh Sharma Date of Rent Agreement: April 22, 2024	No	11 months from May 1, 2024 to March 31, 2025	Warehouse
8.	Plot No. K-60, Nagpur Industrial Area, Nildoh, Hingna, Nagpur - 440016, Maharashtra, India	Leasehold	Name of the Lessor: Maharashtra Industrial Development Corporation Date of Final Lease Deed: March 21, 2006	No	95 years from March 1, 1995 to March 1, 2090	Factory and Registered Office
9.	Shree Vasant Enclave, Plot No. 81, The Posts & Telegraphs Employees Co-operative Housing Society Limited, Cement Road, Pratap Nagar, 440022, Maharashtra, India	Leasehold	Name of the Licensor: Lexcorp Associates Date of Leave and License Agreement: April 18, 2024	No	60 months from April 1, 2024 to March 31, 2029	Corporate Office
10.	Shed No. W-37, Ground Floor, Hingna Road, MIDC Industrial Area, Nagpur – 440016, Digadoh, Maharashtra	Leasehold by our Material Subsidiary	Name of the Licensor: M/s. Garden Enterprises Date of Leave and License Agreement: July 7, 2023	Yes	60 months from July 1, 2023 to June 30, 2028	Warehouse
11.	House no 11, Kasar Villa, near peer bazar Vivekanandpuram, Osmanpura, Kranti Chowk, Aurangabad – 431005, Maharashtra	Leave and license	Name of the Licensor: Jyotsna Pradeep Tapar & Sanket Pradeep Tapar HUF. Date of Leave and License Agreement: August 15, 2024	No	11 months from August 15, 2024 to July 14, 2025	Guest house

For further details, please see "*Risk Factors – Our business operations are being conducted on premises leased from third parties which includes our registered and corporate office as well. Our inability to continue operating from such premises, or to seek renewal or extension of such leases may have an adverse effect on our business, operations and financial condition"* on page 47.

KEY REGULATIONS AND POLICIES

We have evolved from a water technology solutions provider to a Clean-tech player offering a spectrum of offerings and services across water solutions, solar agriculture solutions, and IoT solutions focusing on rural sustainability and operations of scale. The following description is a summary of certain key statutes, bills, regulations, notifications, memoranda, circulars and policies which are applicable to our Company and the business undertaken by our Company.

Taxation statutes such as the Income-tax Act, 1961, the Customs Act, 1962 and the relevant goods and services tax legislation apply to us as they do to any other company. For details of government approvals obtained by our Company, see "Government and Other Approvals" on page 423.

The information detailed in this chapter, is based on the current provisions of key statutes, bills, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The 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.

Environmental Legislations

The Environment (Protection) Act, 1986 ("EP Act"), Environment Protection Rules, 1986 (the "EP Rules"), the Environmental Impact Assessment Notification, 2006 ("EIA Notification") and the Environment (Protection) Amendment Rules, 2021

The EP Act has been enacted for the protection and improvement of the environment. The EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate and laying down safeguards for handling hazardous substances, amongst others. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations.

Further, the EP Rules specifies, *inter alia*, the standards for emission or discharge of environmental pollutants, prohibitions and restrictions on the location of industries as well as on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources. Pursuant to the Environment (Protection) Amendment Rules, 2021**,** a new serial number 115 which deals with 'Regulation on Use of Water Purification System ("**WPS**")' shall be inserted in Schedule-I, which mandates that all DWPS ("**Domestic Water Purification System**") and ODWPS ("**Other than Domestic Water Purification System"**) shall comply with the guidelines issued by the Central Pollution Control Board. It prescribes the responsibilities of the manufacturer and user of DWPS and ODWPS, including that discarded elements of DWPS will be managed as per the provisions of the Plastic Waste Management Rules, 2016, E-Waste (Management) Rules, 2016 and Hazardous Waste Management Rules, 2016, as amended from time to time and plastic, electronic and electrical waste generated as discarded elements shall be brought under Extended Producer Responsibility ("**EPR**"). Further, it stipulates that ODWPS shall be regulated under the provisions of the Water (Prevention and Control of Pollution), Act, 1974 and various rules under the EP Act, and the nodal agency for implementation shall be the State Pollution Control Board or the Pollution Control Committee.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution and to maintain or restore wholesomeness of water. The Water Act provides for one central pollution control board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Under the Water Act, any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. The consent may contain conditions relating to specifications of pollution control equipment to be installed. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The central pollution control board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended (the "Hazardous Waste Rules")

The objective of the Hazardous Waste Rules is to control the collection, reception, treatment, storage, reuse, recycling, recovery, pre-processing, utilisation including co-processing and disposal of hazardous waste. The Hazardous Waste Rules prescribes for every person who is engaged in, collection, storage, packaging, transportation, use, treatment, processing: recycling, recovery, pre-processing, co-processing, utilisation, offering for transfer or disposal of the hazardous and other wastes to obtain an authorisation from the relevant state pollution control board.

Solid Waste Management Rules, 2016 ("Solid Wastes Rules")

The Solid Waste Rules shall apply to every authority responsible for collection, segregation, storage, transportation, processing and disposal of solid wastes. The operator of a facility involved in collecting, segregating, storing, transporting, processing and disposing solid wastes and any other agency appointed for the management and handling of solid wastes is required to obtain authorizations from the respective state pollution control board. Any solid waste generated is required to be managed and handled in accordance with the procedures specified in the Solid Wastes Rules.

The Public Liability Insurance Act, 1991 ("PLI Act")

The PLI Act provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling any hazardous substance and imposes liability on the owner or of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandate the employer to contribute towards the environmental relief fund, a sum equal to the premium paid on the insurance policies.

Other Environmental Legislations

In addition to the above-mentioned environmental laws, following in an indicative list of the environmental laws which may be applicable to our Company due to the nature of the business activities:

- Plastic Waste Management Rules, 2016 as amended by Plastic Waste Management (Amendment) Rules, 2022;
- Bio-medical Waste Management Rules, 2016;
- E-Waste (Management) Rules, 2016;

Labour Related Legislations

Factories Act, 1948

The Factories Act, 1948, as amended (the "**Factories Act**"), defines a "factory" to cover any premises which employs 10 or more workers on any day of the preceding twelve months and in which manufacturing process is carried on with the aid of power or any premises where at least twenty workers are working or were working on any day of the preceding 12 months, and in any part of which a manufacturing process is being carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e., the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The Factories Act also provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

In addition to the Factories Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following in an indicative list of labour laws which may be applicable to our Company due to the nature of the business activities:

- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Industrial Disputes Act, 1947;
- The Employees' State Insurance Act, 1948;

- The Maternity Benefit Act, 1961;
- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Employee’s Compensation Act, 1923;
- The Minimum Wages Act, 1948;
- The Payment of Wages Act, 1936;
- The Payment of Gratuity Act, 1972;
- The Payment of Bonus Act, 1965;
- Equal Remuneration Act, 1976;
- The Industrial Employment (Standing Orders) Act, 1946;
- The Trade Unions Act, 1926; and
- The Child Labour (Prohibition and Regulation) Act, 1986.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

a. Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes 4 existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 208 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

b. Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

c. Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee’s State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee’s Provident Fund and the Employee’s State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

d. The Occupational Safety, Health and Working Conditions Code, 2020, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020.

Other than few provisions of the Code on Social Security which have been notified on May 3, 2023, the provisions of these codes shall become effective on the day that the Government shall notify for this purpose.

Maharashtra Shops and Establishments (Regulation of Employment and Condition of Service) Act 2017 (“Shops and Establishments Act”)

Under the provisions of the Shops and Establishments Act, applicable in the state of Maharashtra, establishments are required to be registered. The Shops and Establishments Act regulates the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the Shops and Establishments Act.

Miscellaneous Laws

Intellectual Property

Intellectual property rights refer to the general term for intangible, intellectual, industrial property rights through patents, copyrights and trademarks and includes geographical indications, trade secrets, and confidential information. These property rights allow the holder to exercise a monopoly on the use of the item for a specified period. The Trade Marks Act, 1999, as amended (the "**Trade Marks Act**"), provides for the registration of trademarks in India, pursuant to which the registered owner of a trademark is granted exclusive rights to registered marks, including brands, labels and headings, and to obtain relief in case of infringement for commercial purposes. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringing, falsifying and falsely applying trademarks. The Patents Act, 1970, as amended, ("**Patents Act**") governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. Section 39 of the Patents Act also prohibits any person resident in India from applying for a patent for an invention outside India without making an application for a patent for the same invention in India. The term of a patent granted under the Patents Act pursuant to Section 53 is for a period of twenty years from the date of filing of the application for the patent. A patent shall cease to have effect if the renewal fee is not paid within the period prescribed for the payment of such renewal fee.

Information Technology Act, 2000 and the rules made thereunder

The Information Technology Act, 2000 (the "**IT Act**") has been enacted with the intention of providing legal recognition to transactions that are undertaken electronically. The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information made available to or hosted by them and creates liability for failure to protect sensitive personal data. The IT Act has created a mechanism for authenticating electronic documentation by means of digital signatures, and provides for civil and criminal liability including fines and imprisonment for various offences. By means of an amendment in 2008, the IT Act legalized the validity of contracts formed through electronic means. The IT Act prescribes various offences, including those offences relating to unauthorized access of computer systems, unauthorized disclosure of confidential information and frauds emanating from computer applications.

Digital Personal Data Protection Act, 2023 ("DPDP Act")

The Digital Personal Data Protection Act, 2023 (the "DPDP Act") was notified on August 11, 2023 and is yet to come into effect. It replaces the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of the DPDP Act. The DPDP Act seeks to balance the rights of individuals to protect their digital personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent, except in case of legitimate uses as provided under the DPDP Act. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data; (ii) build reasonable security safeguards to prevent a data breach; (iii) intimate the Data Protection Board of India (the "DPB") and affected persons in the event of a breach; and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes. The DPDP Act imposes certain additional obligations on a significant data fiduciary, such as appointment of a data protection officer, appointment of an independent data auditor and undertaking of other measures namely, periodic data protection impact assessment, periodic audit and such other measures as may be prescribed under the DPDP Act.

Foreign Investment in India

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**FEMA Rules**") and 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 ("**FDI Policy**"), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on October 17, 2019 which regulates mode of payment and remittance of sale proceeds, among others. Under the FDI Policy, 100% foreign direct investment under the automatic route, *i.e.*, without requiring prior governmental approval, is permitted in the industrial waste water sector The FDI Policy and the FEMA Rules prescribe *inter alia* the method of calculation of total foreign investment (*i.e.*, direct foreign investment and indirect foreign investment) in an Indian company.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. The FTA authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The FTA read with the Foreign Trade Policy, 2023, as amended, provides that no person or company can make exports or imports without having obtained an importer exporter code ("**IEC**") number unless such person or company is specifically exempted. An application for an IEC has to be made to the office of the DGFT. An IEC allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

Laws in relation to Taxation

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, and the Income Tax Rules, 1962, as amended by the Finance Act in respective years;
- Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various state-wise legislations made thereunder;
- The Integrated Goods and Service Tax Act, 2017;
- The Customs Act, 1962;
- State-wise professional tax legislations; and
- Indian Stamp Act, 1899 and various state-wise legislations made thereunder.

Other laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations. Our Company is also amenable to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as "Nagpur Aquatech Private Limited" under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated September 24, 2004, issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). Subsequently, the name of our Company was changed to "Rite Water Solutions (India) Private Limited" to convey a better picture of the nature and business undertaken by our Company as well as for better visibility and brand building, and a fresh certificate of incorporation dated March 12, 2012, was issued by the Registrar of Companies, Maharashtra at Mumbai. Upon conversion of our Company from a private company to a public company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on October 10, 2024, the name of our Company was changed to "Rite Water Solutions (India) Limited" and a certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Central Processing Center on November 26, 2024.

Changes in the registered office of our Company

Except as disclosed below, there has been no change in the registered office of our Company since its incorporation:

Date of Change	Details of change in the registered office	Reasons for change
April 1, 2007	The registered office of our Company was shifted from E-7 Rukhmini Apartments, Laxminagar (E) Nagpur - 440022, India to Plot No. K-60, MIDC Industrial Area Hingna Road, Nagpur – 440 016, Maharashtra, India.	To shift into a larger commercial premises.

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1. *To design, manufacture, and deal in assembling, testing erecting, commissioning, servicing operating and Maintaining marketing of all kinds of Water Treatment Plants and Projects, Sewage and Waste water treatment Plants and projects, Effluent Treatment Plants and projects and equipment & jobs associated with all these plants, such as Gas & Electro chlorinators, Reverse Osmosis plants, Ultra Violet and Ultra filtration Water purifiers and systems, Ozone generators and Automation of all these plants. Also to buy, sell, import, export refine, manufacture prepare, repack, distribute and deal in all types of water Treatment Plants and equipments, Water Treatment Chemicals and allied chemicals, Water and Air Monitoring and testing and Analytical Instruments and Equipments.*

2. *To Carry on the business of manufacturing and/ or to act as Marketers, agents, consultants, distributors, collaborators, buy, sell, supply, store, stock, maintain, dealer, contractor or otherwise deal in all kinds and varieties of medical, surgical, non-medical, health aids and supplies like COVID Test Kits, Infrared Thermometers, Sanitizers, Electrostatic Spraying Machine, Electro-Hypo Generators, Electro-Chlorinators, and Sensor Based Touch less Sanitizer Dispensers, Disinfection Tunnel, in Disinfection Systems, Ozonators, Foot Operated Sanitizer Dispenser, Hypochlorite Based Sanitizers, Disinfection Chemicals, Water Purification Plants, STP Plants, Reverse Osmosis Plants, Protective garments like Disposable Face Masks/Face Shields, Gloves, Personal Protective Equipments (PPE) Kits, surgical dressings, kits, instruments and /or any of its components or parts and all intermediates and by products of any of the above and to takeover/ establish/ operate and maintain diagnosis centers, testing labs, clinics, etc. To carry on the business of dealing with devices and supplies which may work as detection or measuring or controlling or prevention or curtailing of any kind of Virus, Bacteria, germs, infections at large.*

3. *To access, process, trade and transfer technology in the field of Life Sciences, healthcare, research and development, both basic and applied research as well as contract development in the above relevant fields and to distribute, market, sell or assign the intellectual property rights or the technology in respect of the products or processes or patented process, biotechnological and biochemical processes developed to any other individual, firm, body corporate for a lump sum payment, royalty, technical fees, know-how fees or any other fee etc.*

4. *To carry on the business of manufacturing, buying, selling Importing, exporting and otherwise dealing with plastic tubes and pipes of all sizes and varieties, used in agricultural, engineering electrical and mechanical and other industries, rust and corrosion presented tubes, valves, pipes and pipe fittings, flanges, laminated tubings, rods and pipes, exhaust systems In PVC: fibre-reinforced plastics, polypropylene, high density polyethylene and other plastics, PVC water pipes, tubes, electrical conduit pipes and filters, hose pipes, agricultural hose pipes, solid and welding rods, pumps, and also plumbing materials, water distribution systems, sanitary fittings and other building materials made out of plastics.*

5. *To carry on the business of manufacturing, trading import, export, marketing and dealing in all types of solar stand-alone / hybrid power conditioning units, inverters, charge controllers, solar powered batteries, solar powered*

refrigerators, energy saving devices, electronic, electrical and mechanical gadgets/equipment etc., and turn-key implement at ion of all types of solar energy systems and electrical lighting systems directly or indirectly related to conventional, non-conventional and/or renewable source of energy for watt to megawatt range of system and to set up solar PV cell /module manufacturing facility for general and captive consumption and to mark et the same in India and abroad.

6. *To carry on the business of providing (a) climate-based solutions that address various environmental challenges including but not limited to solutions comprising of clean drinking water solutions, waste-water solutions, solar pumping solutions for irrigation water and IOT-based solutions for sectors such as water, energy, agriculture, etc. and (b) rural development solutions (including solar cooling, digital technology solutions, etc.) to positively impact rural comm unities.*

Amendments to our Memorandum of Association in the last 10 years

Set out below are the amendments to our Memorandum of Association in the last 10 years:

Date of Shareholders' resolution	Particulars
March 1, 2015	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital from ₹ 27,000,000 divided into 2,700,000 equity shares of ₹ 10 each to ₹ 47,000,000 divided into 2,700,000 equity shares of ₹ 10 each and 200,000 2% Convertible Cumulative Preference Shares of ₹ 100 each.
June 16, 2020	Pursuant to Sections 4, 13, and 14 of the Companies Act, 2013, a new set of Memorandum of Association was approved and adopted in substitution for and to the exclusion the existing Memorandum of Association of our Company.
	Clause III(A) of the Memorandum of Association was amended to include the following subclause: "*2. To Carry on the business of manufacturing and/ or to act as Marketers, agents, consultants, distributors, collaborators, buy, sell, supply, store, stock, maintain, dealer, contractor or otherwise deal in all kinds and varieties of medical, surgical, non-medical, health aids and supplies like COVIO Test Kits, Infrared Thermometers, Sanitizers, Electrostatic Spraying Machine, Electro-Hypo Generators, Electro-Chlorinators, and Sensor Based Touch less Sanitizer Dispensers, Disinfection Tunnel, in Disinfection Systems, Ozonators, Foot Operated Sanitizer Dispenser, Hypochlorite Based Sanitizers, Disinfection Chemicals, Water Purification Plants, STP Plants, Reverse Osmosis Plants, Protective garments like 01 spo sable Face Masks/Face Shields, Gloves, Personal Protective Equipments (PPE) Kits, surgical dressings, kits, instruments and /or any of its components or parts and all intermediates and by products of any of the above and to takeover/ establish/ operate and maintain diagnosis centers, testing labs, clinics, etc. To carry on the business of dealing with devices and supplies which may work as detection or measuring or controlling or prevention or curtailing of any kind of Virus, Bacteria, germs, infections at large.* *3. To access, process, trade and transfer technology In the field of Life Sciences, healthcare, research and development, both basic and applied research as well as contract development in the above relevant fields and to distribute, market, sell or assign the intellectual property rights or the technology in respect of the products or processes or patented process, biotechnological and biochemical processes developed to any other individual, firm, body corporate for a lump sum payment, royalty, technical fees, know-how fees or any other fee etc.* *4. To carry on the business of manufacturing, buying, selling Importing, exporting and otherwise dealing with plastic tubes and pipes of all sizes and varieties, used in agricultural, engineering electrical and mechanical and other industries, rust and corrosion presented tubes, valves, pipes and pipe fittings, flanges, laminated tubings, rods and pipes, exhaust systems In PVC: fibre-reinforced plastics, polypropylene, high density polyethylene and other plastics, PVC water pipes, tubes, electrical conduit pipes and filters, hose pipes, agricultural hose pipes, solid and welding rods, pumps, and also plumbing materials, water distribution systems, sanitary fittings and other building materials made out of plastics.*"
March 31, 2023	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital from ₹ 47,000,000 divided into 2,700,000 equity shares of ₹ 10 each and 200,000 2% Convertible Cumulative Preference Shares of ₹ 100 each to ₹ 49,000,000 divided into 2,900,000 equity shares of ₹ 10 each and 200,000 2% Convertible Cumulative Preference Shares of ₹ 100 each.
May 31, 2023	Clause III(A) of the Memorandum of Association was amended to include the following subclause: "*5. To carry on the business of manufacturing, trading import, export, marketing and dealing in all types of solar stand-alone / hybrid power conditioning units, inverters, charge controllers, solar powered batteries, solar powered refrigerators, energy saving devices, electronic, electrical and mechanical gadgets/equipment etc., and turn-key implement at ion of all types of solar energy systems and electrical lighting systems directly or indirectly related to conventional, non-conventional and/or renewable source of energy for watt to megawatt range of system and to set up solar PV cell /module manufacturing facility for general and captive consumption and to mark et the same in India and abroad.* *6. To carry on the business of providing (a) climate-based solutions that address various environmental challenges including but not limited to solutions com prising of clean drinking water solutions, waste-water*

Date of Shareholders' resolution	Particulars
	solutions, solar pumping solutions for irrigation water and IOT-based solutions for sectors such as water, energy, agriculture, etc. and (b) rural development solutions (including solar cooling, digital technology solutions, etc.) to positively impact rural comm unities."
September 19, 2023	Clause V of the Memorandum of Association was amended to reflect change of nomenclature of preference shares from "2% Compulsorily Convertible Preference Shares" to "Preference Shares', along with the sub-division of preference shares of face value of ₹100 each of our Company into preference shares of face value of ₹10 each.
October 10, 2024	Clause I of Memorandum of Association was amended to reflect the change in name of our Company from "Rite Water Solutions (India) Private Limited" to "Rite Water Solutions (India) Limited".
	Clause V of Memorandum of Association was amended to reflect the sub-division of Equity Shares of face value of ₹ 10 each of our Company into Equity Shares of face value of ₹ 2 each.
	Clause V of Memorandum of Association was amended to reflect the increase in the authorised share capital from ₹ 49,000,000 divided into 14,500,000 equity shares of ₹ 2 each and 2,000,000 Preference Shares of face value of ₹10 each to ₹220,000,000 divided into 100,000,000 equity shares of ₹ 2 each and 2,000,000 Preference Shares of face value of ₹10 each.

Major events and milestones of our Company

The table below sets forth some of the key events in our history:

Calendar Year	Milestone
2006	Started manufacturing and sale of chlorination plants under the name Nagpur Aquatech Private Limited.
2009	Received the first order for set-up of community fluoride removal plants across multiple villages from Bharat Nirman Cell, Nagpur.
2014	Raised the first round of funding of ₹ 100.00 million from Samridhi Fund (Impact Fund Department for International Development), UK and Small Industries Development Bank of India ("**SIDBI**").
2018	Raised second round of funding of ₹ 100.00 million from Samridhi Fund (Impact fund Department for International Development, UK and SIDBI.
2020	United States-India Science and Technology Endowment Fund granted an award to develop range of disinfection products for Covid-19.
2021	Ranked 5th amongst the top performing MSMEs in India in the Economic Times Rise: Top MSME Rankings 2021.
2022	Received an order of about ₹ 4182.31 million for setting up Electro-chlorination Cells plants across 17,320 villages by the Government of Maharashtra.
2023	Expanded into solar and internet of things ("**IOT**") verticals by: • receiving an order for installation of 12,000 solar agricultural pumps in consortium with Mecwin Technologies from MSEDCL, Government of Maharashtra and receiving letter of award from the Commissioner of Horticulture, Government of Rajasthan; • receiving an order for installation of 5MT solar cold storages, in consortium with Ecozen Solutions, by Maharashtra Energy Development Agency (MEDA), Government of Maharashtra, across Maharashtra; • receiving an order for IOT deployment for Jal Jeevan Projects in the State of Maharashtra for about 1,589 villages, in consortium with ABM Knowledgeware by State Water and Sanitisation Mission, Government of Maharashtra
	Received series B fund raise of ₹ 665.47 million from W2AF - World's first Drinking Water Focus Fund from France managed by Incofin Investment Management, Belgium.
2024	Surpassed an annual turnover of ₹ 2,000.00 million registering a jump of 69.80% over FY23.

Awards, accreditations, and recognition

The table below sets forth some of the key awards, accreditations and recognition received by our Company:

Calendar Year	Awards, accreditations, and recognition
2014	Selected among top 5 SMEs across India creating Impact in "Masterpreneur" TV Show by CNBC TV-18 – 2014.
	Received the Indo-US Science & Technology Forum award and a grant of ₹ 13.11 million (Set up by Department of Science & Technology, India and the Government of United States
2017	Received 'Best Innovative Technology in Water' at Water Management Excellence Awards, 2017 in Awards in Water Management Best Technologies, Innovations & Initiatives, organized by ASSOCHAM, New Delhi
2019	Received OHSSAI Award (Best Upcoming Company in Health & Environment Space) from OHSSAI
2023	Received award for outstanding contribution to the industrial development of Vidarbha in the Medium Scale Industry category in the 5th edition of the Vidarbha Udyog Gaurav Awards
2024	Received Future Ready Organisations 2024-25 Award in Small and Midsize Enterprise from Economic Times.
	Received IIT Madras Vikasit Bharat CSR Awards from the Indian Institute of Madras

Calendar Year	Awards, accreditations, and recognition
	Received an award for 'Doing Good Through Business for Rural Development' at the 'Doing Good for Bharat Awards 2024' by CSRBOX

Significant financial and strategic partnerships

Our Company does not have any significant financial or strategic partnerships as on the date of this Draft Red Herring Prospectus.

Time/cost overrun in setting up projects

For time or cost overrun, please see *"Risk Factors- We are dependent on our sub-contractors to perform various portions of the contracts awarded to us. Such dependency exposes us to certain risks such as availability and performance of our sub-contractors that may have an adverse effect on our business, results of operations and financial condition"* on page 44 of this Draft Red Herring Prospectus.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks

As on the date of this Draft Red Herring Prospectus, there has been no instance of rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our borrowings from lenders, except in the ordinary course of business.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/facility creation, location of projects

For details of key products offered by our Company, entry into new geographies or exit from existing markets or capacity/facility creation, location of projects, see "*Our Business*" on page 209.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Our Company has not undertaken a material acquisition or divestment of any business/undertaking or revaluation of assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

Our Company has not undertaken any merger or amalgamation in the 10 years preceding the date of this Draft Red Herring Prospectus.

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

Guarantees provided to third parties by our Promoters

Except as disclosed below, there have been no guarantees issued by our Promoters to third parties.

Promoter	Name of the Lender	Guarantees issued in favour of	Guarantee Amount (in ₹ million)	Type of Borrowing/facility	Borrower	Reason for the Guarantee	Obligations on our Company	Amount outstanding as of December 31, 2024 (in ₹ million)
Vinayak S. Gan and Abhijeet V. Gan	IndusInd Bank Limited	IndusInd Bank Limited	550	50 million being cash credit; and 500 million being non-fund based bank guarantee / letter of credit (fungible)	Rite Water Solutions (India) Limited	The Promoters had given the guarantee to IndusInd Bank Limited for the due repayment of guaranteed amounts in the event the company fails to repay the same upon the	NA	195.97

Promoter	Name of the Lender	Guarantees issued in favour of	Guarantee Amount (in ₹ million)	Type of Borrowing/facility	Borrower	Reason for the Guarantee	Obligations on our Company	Amount outstanding as of December 31, 2024 (in ₹ million)
						occurrence of a default		

The abovementioned guarantee is typically effective for a period till the underlying loan is repaid by our Company. The financial implications in case of default by our Company would entitle the lender to invoke the guarantee given by the Promoter Selling Shareholders to the extent of outstanding loan amount, including the interest amount, commission and all charges, costs, expenses incurred by the lender and upon an event of default under the relevant facility agreements. Our Company has not paid any consideration to the Promoter Selling Shareholders for providing these guarantees. The facilities are secured. For indicative details of security provided in relation to the loans, see, "*Financial Indebtedness - Summary of principal terms of the borrowings currently availed by us*" and "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 13*" on pages 417 and 329.

Material clauses of the Articles of Association

All material clauses of our Articles of Association having a bearing on the Offer have been disclosed in this Draft Red Herring Prospectus.

Key terms of other subsisting material agreements

Except as set out below, our Company has not entered into any other subsisting material agreement other than in the ordinary course of business:

Subscription cum shareholders agreement dated March 14, 2014 ("SIDBI SSHA"), read with the amendment agreement dated September 12, 2016 ("SIDBI Amendment Agreement"), and the supplemental agreement dated July 17, 2018 ("Supplemental Agreement"), entered into between SIDBI Trustee Company Limited as the trustee of SIDBI Social Venture Trust through its scheme, Samridhi Fund, acting through its investment manager, SIDBI Venture Capital Limited ("Investor"), Vinayak S. Gan, Abijeet V. Gan, Vaishali Gan and our Company.

Pursuant to the SIDBI SSHA, the Investor agreed to subscribe to equity shares, preference shares, and debentures of our Company in three tranches for a total consideration of ₹100.00 million. In the first tranche, the Investor subscribed to 434,216 equity shares of our Company of face value ₹ 10 each at a premium of ₹ 82.12 per share, for a total consideration of ₹ 40.00 million.

The SIDBI Amendment Agreement introduced a subsequent tranche of subscription, allowing the Investor to subscribe to additional preference shares and debentures, subject to specific conditions precedent and subsequent upto an amount of ₹ 40.00 million. It also updated the interest payment terms on debentures to 8% per annum, payable quarterly, with the first instalment due one year after the disbursement of the third or fourth tranche. Additionally, our Company and/or the promoters were given the option to buy back, redeem or purchase the outstanding debentures and preference shares at a pre-agreed internal rate of return of 16%, starting from April 1, 2018, but before September 30, 2018, for debentures, and before September 30, 2019, for preference shares.

The Supplemental Agreement introduced an additional investment of ₹ 100.00 million by the Investor through the subscription of 1,000,000, 8% compulsorily convertible debentures of ₹100 each with an interest rate of 8% per annum, payable quarterly. It also updated the interest payment terms on debentures to 8% per annum, payable quarterly, with the first instalment due one year after the disbursement of the third or fourth tranche. Additionally, our Company and/or the promoters were given the option to buy back, redeem or purchase the outstanding debentures and preference shares at a pre-agreed internal rate of return of 16%, starting from April 1, 2018, but before September 30, 2018, for debentures, and before September 30, 2019, for preference shares.

Pursuant to a letter arrangement dated March 20, 2023, our Company and the Investor agreed to the exit terms for the Investor. Subsequently, our Company has provided a complete exit to the Investor in April, 2023. As part of the exit terms, our Company is additionally required to pay an amount aggregating to ₹110 million to the Investor in case our Company successfully completes an Offer by March 31, 2028, subject to applicable law, including approval under regulation 26 (6) of the SEBI Listing Regulations, as applicable.

Shareholders' agreement dated August 25, 2023 ("W2AF SHA") and the Share subscription agreement dated August 25, 2023 (the "W2AF SSA"), read with the amendment dated October 9, 2023 (the "W2AF SHA Amendment Agreement") and

the amendment dated October 9, 2023 (the "W2AF SSA Amendment Agreement"), respectively, entered into between Water Access Acceleration Fund S.L.P. ("W2AF"), Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and our Company (collectively referred to as "Parties" and individually as "Party"). The W2AF SHA and W2AF SHA Amendment Agreement have been further amended by amendment agreements each dated January 27, 2025 and February 6, 2025 (together "W2AF SSSHA Agreement")

Pursuant to the W2AF SHA and W2AF SSA, W2AF subscribed to 460,531 compulsorily convertible preference shares ("**CCPS**") of face value ₹ 10 per share, for an issue price of ₹ 1,445.00 per CCPS amounting to ₹ 665.47 million. The CCPS provide for a cumulative dividend rate of 0.1% per annum and for conversion into equity shares upon the occurrence of the earlier of (i) expiry of 3 years from the closing date, (ii) prior to the listing of the Equity Shares on the stock exchange.

In accordance with the terms of the W2AF SHA and W2AF SHA Amendment Agreement, W2AF has the right to nominate one director and the Promoters have right to appoint majority of the directors on the Board. Further, such director nominated by W2AF shall be appointed as member on all committees of our Company. W2AF also has a right to appoint an observer to the Board in addition to the nominee director. W2AF SHA also provides for certain affirmative vote matters such as appointment/ re-appointment/alteration of terms of employment of key employees and promoters which cannot be taken up in a Board or the Shareholders' meeting without the consent of the Investor. The Investor also has certain other rights, *inter alia* (i) certain information rights; (ii) anti-dilution rights in case of further issuance of share capital by our Company; (ii) pre-emptive rights to subscribe in proportion to its Equity Shares such that the W2AF can maintain its proportion of the shareholding; (iii) right of first refusal and tag along rights, and (iv) buyback rights for W2AF's shareholding to be bought back in case an exit is not provided within specified timelines or certain events of defaults ("**Buyback Rights**"); (v) indemnification from any loss until the listing of the Equity Shares of our Company. The W2AF SHA impose certain transfer restriction on the Promoters, whereby the Promoters cannot transfer Equity Shares held by them beyond an agreed limit without prior consent of the Investor.

The Parties have entered into the W2AF SSSHA Amendment Agreement 2 in order to amend certain terms, including in relation to the number of Equity Shares which will be resultant upon conversion of the CCPS. For further details, please see "*Capital Structure - Terms of conversion of CCPS*" on page 101.

Further, in order to facilitate the Offer, pursuant to the W2AF SSSHA Amendment Agreement 3, the Promoters are entitled to nominate two directors, and W2AF's rights to nominate one director and one observer continue as above. Further, the Parties have provided the requisite consents and waivers on certain matters in relation to the Offer which include, among others, waivers and consents for transfer restrictions in relation to the Equity Shares by the existing Shareholders, confidentiality, and a waiver for the Buyback Rights, which are no longer in force during the term of the W2AF SSSHA Amendment Agreement 3, and will not have any force and effect upon listing of the Equity Shares. Further in terms of the W2AF SSSHA Agreement, W2AF and our Company have agreed to enter into a "Policy Rights Agreement" before filing of the updated draft red herring prospectus with SEBI. This agreement will establish the "Impact Data Publishing Policy", which shall outline the specific impact-related data that our Company must publish about its projects. The data shall be published subject to appropriate assumptions as may be deemed necessary by our Company, which shall be disclosed in the publication. In respect of the information that shall be published by our Company pursuant to the Policy Rights Agreement and the Impact Data Publishing Policy, our Company shall ensure that all the provisions/ requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 are complied with. Further, our Company shall publish the required information under the Impact Data Publishing Policy on the Stock Exchanges or notify on our Company's website.

The W2AF SSSHA Amendment Agreement 3 shall terminate *inter alia* in accordance with the terms of the said agreement either on the date on which the parties to the SHA agree in writing to terminate any amendment agreement entered in relation to the Offer; or upon the Company not being able to achieve to list its equity shares on a recognised stock exchange pursuant to the Offer on or before September 30, 2025; or the date on which the Board decides not to undertake the Offer and/or to withdraw any offer document filed with any regulatory authority in respect of the Offer, including any draft offer document filed with SEBI.

The Articles of Association of our Company consist of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the date of the listing of the Equity Shares in connection with Offer ("**Listing Date**"). In case of any inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall over-ride and prevail and be applicable until the Listing Date.

The W2AF SSSHA Agreement shall automatically terminate on the date of listing of the equity shares subject to completion of the Offer, and upon such termination and no special right of any Party shall survive post listing of the Equity Shares of our Company, without requiring any further action. Any termination of the W2AF SSSHA Agreement shall be without prejudice to any accrued rights, remedies or obligations of any Party up to the date of termination hereof.

Inter-se agreements between Shareholders

Except as disclosed under Key terms of other subsisting material agreements as on the date of this Draft Red Herring Prospectus, our Company, Promoters and Shareholders do not have any inter-se agreements/ arrangements, deeds of assignments, acquisitions agreements or agreements of like nature further there are no other clauses/ covenants which are material in nature and need to be disclosed or are adverse/ pre-judicial to the interests of the minority/ public shareholders. Also, there are no other agreements, deed of assignments, acquisition agreements, shareholders' agreement, inter-se agreements or agreements of like nature.

Except as disclosed above, there are no other agreements/arrangements entered into by our Company or clauses/covenants applicable to our Company which are material, not in the ordinary course of business and which are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer. There are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority/public shareholders of our Company. Further, there are no other agreements, deed of assignments, shareholder agreements, inter-se agreements or agreements of like nature.

There are no other material covenants in any of the agreements (specifically related to primary and secondary transactions of securities and financial arrangements), other than the ones already disclosed in this Draft Red Herring Prospectus including as disclosed above in "- *Key terms of other subsisting material agreements*" on page 252.

Agreements with Key Managerial Personnel or Senior Managerial Personnel or Directors or Promoters or any other employee

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Managerial Personnel or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third-party regarding compensation or profit sharing in connection with dealings in the securities of our Company.

Holding company

As on the date of this Draft Red Herring Prospectus, our Company has no holding company.

Our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has two subsidiaries.

The details of our subsidiaries is set forth below:

Clintech Equipments and Solutions Private Limited ("CESPL")

Corporate Information

CESPL, a private limited company, was incorporated on March 22, 2023, under the Companies Act, 2013. The Corporate Identification Number ("**CIN**") of CESPL is U27900MH2023PTC399443 and its registered office is situated at Plot No. W-37, MIDC Hingna Road, MIDC, Nagpur 440016, Maharashtra, India.

Nature of Business

CESPL is engaged in the business of manufacturing, marketing and turn-key implementation of all types of solar energy systems, solar powered batterie and electrical lighting systems solar powered refrigerators and other energy saving devices.

Capital Structure

The capital structure of CESPL is as follows:

Particulars	Number of equity shares of ₹ 10 each	Amount (₹ in million)
Authorised share capital	50,000	0.50
Issued, subscribed and paid-up share capital	10,000	0.10

Shareholding Pattern

The shareholding pattern of CESPL is as follows:

S. No.	Name of the equity shareholder	Number of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Vinayak S. Gan (nominee of Rite Water Solutions (India) Limited)	1	00.01

S. No.	Name of the equity shareholder	Number of equity shares of ₹ 10 each	Percentage of total equity holding (%)
2.	Rite Water Solutions (India) Limited	9,999	99.99
Total		10,000	100

Financial information

(in ₹ million, unless otherwise specified)

Sr. No.	Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022[(2)]
1.	Equity share capital	0.10	Nil[(1)]	NA
2.	Net Worth	107.70	(0.04)	NA
3.	Revenue from operations	449.44	Nil	NA
4.	Profit/ (loss) after tax for the year	107.64	(0.04)	NA
5.	Basic EPS	12,349.92	Nil	NA
6.	Diluted EPS	12,349.92	Nil	NA
7.	Total borrowings (including lease liabilities)	10.59	Nil	NA

(1) *Equity share capital for Fiscal 2023 is nil as ₹ 0.10 million of subscription amount to memorandum remained unpaid as on March 31, 2023.*
(2) *Clintech Equipments and Solutions Private Limited was incorporated on March 22, 2023, therefore amounts for Fiscal 2022 are "NA"*

Rite Water Lakecity LLP

Corporate Information

Rite Water Lakecity LLP was formed as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008, pursuant to certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai, dated July 17, 2018. Its registered office is situated at K-60, MIDC Industrial Area Hingna Road, Nagpur – 440 016, Maharashtra, India.

Nature of Business

Rite Water Lakecity LLP is in the business of construction and supply of water purifier automatic teller machines, operation and maintenance of water dispensing units ("**water kiosks**"); and water kiosk management on public private partnership basis.

Capital Structure

The total agreed capital contribution of Rite Water Lakecity LLP is ₹ 1,000,000.

The participation share of each party in the LLP as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the Partner	Capital Contribution (in ₹ million)	Participation share in percentage (%)
1.	Rite Water Solutions (India) Limited	0.51	51.00
2.	Krupali Wagh	Nil*	49.00

* *Krupali Wagh's agreed partner's contribution towards the LLP was ₹ 0.49 million. However, as on the date of this Draft Red Herring Prospectus, she has not advanced her portion of the partner's contribution, and hence, the actual capital contribution of the LLP is ₹ 0.51 million.*

Financial Information

(in ₹ million, unless otherwise specified)

Sr. No.	Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
1.	Partner's Fixed Capital	0.51	0.51	0.51
2.	Net Worth*	7.31	15.76	16.77
3.	Revenue from operations	1.80	1.51	0.38
4.	Profit/ (loss) after tax for the year	9.25	(2.25)	(1.62)
5.	Total borrowings (including lease liabilities)	Nil	Nil	Nil
6.	Basic EPS	NA	NA	NA
7.	Diluted EPS	NA	NA	NA

***** *Net worth is partner's contribution plus partner's current account less accumulated losses*

Amount of accumulated profits or losses

There are no accumulated profits or losses of our Subsidiaries that have not been accounted for by our Company in the Restated Consolidated Financial Statements.

Business interest between our Company and our Subsidiaries

Except in the ordinary course of business and other than the transactions disclosed in "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 28*" on page 346, our Subsidiaries has no business interests in our Company.

Common pursuits

As on the date of this Draft Red Herring Prospectus, our Subsidiaries are authorized by their respective constitutional documents to engage in similar business to that of our Company, and accordingly there may be common pursuits between our Company and our Subsidiaries. However, we do not perceive any conflict of interest in this regard given our majority shareholding and interest in these entities. Our Company will adopt necessary procedures and practices as permitted by law to address any situations of conflict of interest, if and when they arise.

Other confirmations

Our Subsidiaries are not listed on any stock exchange in India or abroad. Further, neither have our Subsidiaries been refused listing in the last ten years by any stock exchange in India or abroad, nor have our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of our Company) and our Company, Promoters, members of the Promoter Group, Subsidiaries and their directors. For conflict of interest of our Company with our Group Company, please refer to "*Common Pursuits*" in the chapter titled "*Group Company*" on page 427.

There is no conflict of interest between the lessors of the immovable properties (which are crucial for operations of our Company) and our Company, Promoters, members of the Promoter Group, Subsidiaries, Group Company and their directors.

Our Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures.

Our Associates

As on the date of this Draft Red Herring Prospectus, our Company does not have any associates.

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, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of this Draft Red Herring Prospectus, we have six Directors on our Board, of whom three are Independent Directors, including one woman Independent Director. Our Company is in compliance with the corporate governance requirements 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, period of directorship and DIN	Age (years)	Other directorships
Vinayak S. Gan *Designation*: Chairman and Whole-Time Director *Date of birth*: March 27, 1950 *Address*: Plot No. 19, Krishna Kunj, R.P.T.S. Road, Near Mate Chowk, Friends Colony, Rana Pratap Nagar, Nagpur, Maharashtra – 440022 *Occupation:* Business *Current term*: Five years commencing from May 1, 2023 and liable to retire by rotation *Period of directorship*: Since July 23, 2012 *DIN*: 01581401	74	Indian companies: • Clintech Equipments and Solutions Private Limited • Rite Water (India) Private Limited • Garden Fragrances Private Limited Foreign companies: Nil
Abhijeet V. Gan *Designation*: Managing Director and Chief Executive Officer *Date of birth*: January 22, 1983 *Address*: Plot No. 19, Krishna Kunj, R.P.T.S. Road, Near Mate Chowk, Friends Colony, Rana Pratap Nagar, Nagpur, Maharashtra – 440022 *Occupation*: Business *Current term*: Five years commencing from May 1, 2023 and liable to retire by rotation *Period of directorship*: Since April 1, 2006 *DIN*: 01350305	42	Indian companies: • Clintech Equipment and Solutions Private Limited • Rite Water (India) Private Limited Foreign companies: Nil
Aparna Krishnakant Pittie[**] *Designation*: Non-Executive Nominee Director *Date of birth*: October 14, 1982 *Address*: 601 – Silver leaf, Narangi Baug Road, Off Boat Club, Pune – 411 001, Maharashtra *Occupation*: Service *Current term*: Not liable to retire by rotation	42	Indian companies: Nil Foreign companies: Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Period of directorship: Since April 17, 2024 *DIN*: 07857183		
Vinod K. Verma *Designation*: Independent Director *Date of birth*: December 01, 1948 *Address*: 2526, Sector-D, Pocket-2, Vasant Kunj, Southwest Delhi, Delhi-110070 *Occupation*: Professional *Current term*: Three years commencing from November 15, 2024. *Period of directorship*: Since November 15, 2024 *DIN*: 00331467	76	Indian companies: Nil Foreign companies: Nil
Ashutosh Prabhakar Joshi *Designation*: Independent Director *Date of birth*: October 12, 1960 *Address*: 40D sarthak, second Lane behind Hitavada Press, Dhantoli, Nagpur – 440 012, Maharashtra, India *Occupation*: Chartered Accountant *Current term*: Three years commencing from November 15, 2024. *Period of directorship*: Since November 15, 2024 *DIN*: 07764733	64	Indian companies: Nil Foreign companies: Nil
Khushboo Anish Pasari *Designation*: Independent Director *Date of birth*: March 15, 1985 *Address*: Plot No 57/A, Asha Niketan, C.A. Road, Darodkar Chowk, Itwari, Nagpur- 440 032, Maharashtra, India *Occupation*: Company Secretary *Current term*: Three years commencing from December 27, 2024 *Period of directorship*: Since December 27, 2024 *DIN*: 07587383	39	Indian companies: • Vibrant Global Capital Limited • Clam.AI Venture Private Limited Foreign companies: Nil

** *Appointed as a nominee director on the Board of our Company by Water Access Acceleration Fund S.L.P. pursuant to the W2AF SSSHA Agreement. For further details, see* "*History and Certain Corporate Matters" on page 248.*

Brief profiles of our Directors

Vinayak S. Gan, aged 74 years, is a Whole-Time Director of our Company. He has passed the final year examination in Bachelor of Technology (chemical engineering) from Rashtrasant Tukadoji Maharaj Nagpur University. He is the sole proprietor of Nagpur Chemicals, since 1982. He is currently involved in human resource management, human capital management, project procurement, operational framework, manpower planning, and handling the processes and policies of our Company, and has 42 years of experience as an entrepreneur.

Abhijeet V. Gan, aged 42 years, is the Managing Director of our Company. He holds a bachelor's degree in engineering from the Birla Institute of Technology and Science and a postgraduate diploma in Management from Bhartiya Vidya Bhavan's S.P. Jain Institute of Management & Research. He has been associated as a director with our Company since 2006. He is currently involved in business development, project administration and execution, providing strategic advice to the Board and has 18 years of cumulative experience in the water, solar and IoT sectors. He has received the BITS Pilani 30 Under 30 Award and was recognised as One of the 50 Most Talented Leaders in Water and Water Management by World Water Leadership Congress. He is also recognized as promising Social Entrepreneur of Nagpur by C.P. & Berar College at the hands of Hon'ble Union Minister Shri Nitin Gadkari.

Aparna Krishnakant Pittie, aged 42 years, is a Non-Executive Nominee Director of our Company, appointed as a nominee director on the Board of our Company by Water Access Acceleration Fund S.L.P., pursuant to the W2AF SSSHA Agreement. She holds a Master of Science in Accounting and Finance from the London School of Economics and Political Science. She is a member of the Institute of Chartered Accountants of India. She was previously associated with Deloitte Touche Tohmatsu India LLP and Artha Energy Projects Private Limited. She has 8 years of experience in corporate finance and investment management.

Vinod K. Verma, aged 76 years, is an Independent Director of our Company. He has passed the examination for degree in Bachelor of Science in electrical engineering from Aligarh Muslim University and has completed the international senior managers' program from Harvard University Graduate School of Business Administration He was previously associated with Steel Authority of India Limited and Wockhardt Limited and served as the Managing Director and CEO at Sum Amicus Consultants Private Limited, New Delhi. He has over 47 years of experience in corporate human resources and information technology.

Ashutosh Prabhakar Joshi, aged 64 years, is an Independent Director of our Company. He holds a bachelor's degree in science from Nagpur University and bachelor's degree in law from Nagpur University and has passed the master's degree examination in public administration from Nagpur University. He also passed the final examination held by the Institute of Chartered Accountants of India and holds a certificate of practice with the Institute of Chartered Accountants of India. He has been associated with P.G. Joshi & Co., Chartered Accountants as a partner for 39 years.

Khushboo Anish Pasari, aged 39 years, is an Independent Director of our Company. She holds a bachelor's degree in commerce from Rashtrasant Tukadoji Maharaj Nagpur University and is a fellow member of the Institute of Company Secretaries of India. She has been associated with Solar Industries India Limited since 2007. She has over 17 years of experience in legal and secretarial functions.

Relationship between our Directors

Except as stated below, none of our Directors are related to each other in any manner:

Directors	Nature of Relationship
Vinayak S. Gan (Whole-Time Director) *and* Abhijeet V. Gan (Managing Director)	Father and Son

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

None of our Directors are or have been on the board of directors of any company that was or has been directed by any Registrar of Companies to be struck off from the rolls of such Registrar of Companies under Section 248 of the Companies Act.

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 or Fugitive Economic Offenders, as defined under the SEBI ICDR Regulations.

Arrangement or understanding with major Shareholders, customers, suppliers, or others pursuant to which our Directors were selected as a Director or Senior Management

Except Aparna Krishnakant Pittie, who is appointed as a nominee director on the Board of our Company by Water Access Acceleration Fund S.L.P. ("**W2AF**") pursuant to W2AF SHA, between our Company, Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and W2AF, none of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors, Key Managerial Personnel and Senior Management

Our Company has not entered into any service contracts with any Director, which provide for benefits upon termination of employment.

Terms of appointment of our Executive Directors

Whole-Time Director

Our Board at their meeting held on May 1, 2023 approved the re-appointment of Vinayak S. Gan as the Whole-Time Director of our Company with effect from May 1, 2023. Our Shareholders approved such appointment at their meeting held on May 31, 2023, and our Company has entered into an agreement dated September 28, 2023 with Vinayak S. Gan setting out the details of the remuneration and other terms of his employment. The following table sets forth the details of the remuneration and other terms of his employment applicable with effect from April 1, 2024, pursuant to a resolution of our Board dated January 31, 2025 and the shareholders resolution dated February 06, 2025:

Sr. No	Category	Remuneration (in ₹ million)
1.	Salary (per month)	1.87
2.	*Perquisites and allowances* (per month)	
	-	NIL
Total (per month)		**1.87**
Total (per annum)		**22.40**

Managing Director

Our Board at their meeting held on May 1, 2023, approved the re-appointment of Abhijeet V. Gan as the Managing Director of our Company with effect from May 1, 2023. Our Company has entered into an agreement dated September 28, 2023 with Abhijeet V. Gan setting out the details of the remuneration and other terms of his employment. The following table sets forth the details of the remuneration and other terms of his employment applicable with effect from April 1, 2024, pursuant to a resolution of our Board dated January 31, 2025 and the shareholders resolution dated February 06, 2025:

Sr. No	Category	Remuneration (in ₹ million)
1.	Salary (per month)	1.87
2.	*Perquisites and allowances* (per month)	
	-	NIL
Total (per month)		**1.87**
Total (per annum)		**22.40**

Terms of appointment of our non-executive directors (including Independent Directors)

Pursuant to the Board resolution dated December 27, 2024, the sitting fees payable to our Non-Executive Directors and Independent Directors for attending meetings of our Board and meetings of various committees of our Board, is ₹ 0.03 million and ₹ 0.02 million respectively, within the limits prescribed under the Companies Act, 2013, and the rules notified thereunder.

Payment or benefits to Directors

Except as disclosed in "-*Terms of appointment of our Executive Directors*" above, our Company has not entered into any contract appointing or fixing the remuneration of any Director in the two years preceding the date of this Draft Red Herring Prospectus.

In Fiscal 2024, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors other than the remuneration as disclosed above in "*– Terms of appointment of our Executive Directors"* on page 260 and sitting fees paid to them for such period.

Our Company has not paid any contingent or deferred compensation to any of our Directors. The remuneration that was paid to our Directors in Fiscal 2024 is as follows:

1. Executive Directors

The details of the remuneration paid to our Executive Directors in Fiscal 2024 is set out below:

(in ₹ million)

Name of Director	Designation	Remuneration in Fiscal 2024(1)
Vinayak S. Gan	Whole-Time Director	22.40
Abhijeet V. Gan	Managing Director	22.40

(1) Includes bonus on payment basis and excludes retirals like gratuity which are accounted on annual basis at our Company level.

2. Non- Executive Directors

The details of the remuneration paid to our Non-Executive Directors in Fiscal 2024 is set out below:

(in ₹ million)

Name of Director	Remuneration in Fiscal 2024
Aparna Krishnakant Pittie	NIL

3. Independent Directors

The details of sitting fees paid to our Independent Directors during Fiscal 2024 is set out below:

Name of Director	Sitting Fees in Fiscal 2024
Vinod K. Verma	NIL
Ashutosh Prabhakar Joshi	NIL
Khushboo Anish Pasari	NIL

Remuneration paid or payable to our Directors by our Subsidiaries

None of our Directors were paid any remuneration by our Subsidiaries in Fiscal 2024 including contingent or deferred compensation accrued for the year.

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 on a fully diluted basis (%)*	Percentage of the post-Offer paid up share capital (%)
Vinayak S. Gan	34,951,200	40.94	[●]
Abhijeet V. Gan	22,381,050	26.22	[●]

* *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "History and Certain Corporate Matters - Key terms of other subsisting material agreements" beginning on page 252.*

Except as disclosed in the table above, none of our Directors, hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

For details of the shareholding of our Directors in our Subsidiaries, please see "*History and Certain Corporate Matters – Our Subsidiaries*" on page 254.

Bonus or profit-sharing plan for our Directors

As on date of this Draft Red Herring Prospectus, our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

Interest of Directors

All our Non-Executive Directors and Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and/or committees thereof as approved by our Board, the reimbursement of expenses payable to them as approved by our Board.

Our Directors may be deemed to be interested to the extent of the remuneration and reimbursements payable to each of them by our Company.

Our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

Our Directors Vinayak S. Gan and Abhijeet V. Gan are interested to the extent of Equity Shares, held by them and their relatives (together with other distributions in respect of Equity Shares), or held by the entities in which they are associated as partners, promoters, directors, proprietors, members, trustees or beneficiaries or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members, trustees or beneficiaries, pursuant to the Offer and any dividend and other distributions payable in respect of such Equity Shares. For details, see "*–Shareholding of Directors in our Company"* on page 261. Our Directors may also be deemed to be interested to the extent of stock options granted or Equity Shares to be allotted pursuant to the exercise of options granted to them under the ESOS 2024. For details, see "*Capital Structure – Issue of equity shares under employee stock option schemes*" on page 102.

Except Vinayak S. Gan and Abhijeet V. Gan, who are Promoters of our Company, none of our other Directors have any interest in the promotion or formation of our Company. For further details, see "*Our Promoters and Promoter Group - Interests of Promoters*" on page 275.

None of our Directors have any interest in any property acquired or proposed to be acquired by our Company or our subsidiaries during the three years preceding the date of this Draft Red Herring Prospectus.

Our Directors are not interested in any properties leased by our Company and our Material Subsidiary as on the date of this Draft Red Herring Prospectus, other than as disclosed in "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 28*" on page 346.

None of our Directors have any interest in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

None of our Directors have availed loans from our Company.

There is no conflict of interest between the lessors of immoveable properties, suppliers of raw materials and third party service providers, which are crucial for the operations of our Company, and our Directors.

Borrowing Powers

Pursuant to our Articles of Association, subject to applicable provisions of the Companies Act, 2013, and the resolution passed by our Board in their meeting on December 27, 2024 and by our shareholders' in their meeting on January 6, 2025, our Board has been authorized to borrow or from time to time, any sum or sums of monies, including by way of issuance of debentures, advances, deposits, loans or otherwise, which together with the monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) either from our Company's bankers and/or any one or more persons, bodies corporate or financial institutions or from any other sources abroad whether secured or unsecured may exceed the aggregate of the then paid up capital of our Company, its free reserves and securities premium, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 7,000 million at any point of time.

Changes to our Board in the last three years

The changes to our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:*

Name	Date of appointment/cessation	Reason
R. V. Dilip Kumar	March 31, 2023	Resignation as director
Dhara Jitendra Mehta	November 7, 2023	Appointment as a nominee director
Dhara Jitendra Mehta	January 22, 2024	Resignation as director
Aparna Krishnakant Pittie	April 17, 2024	Appointment as a nominee director
Vinod K. Verma	November 15, 2024	Appointment as an additional independent director
Ashutosh Prabhakar Joshi	November 15, 2024	Appointment as an additional independent director

Name	Date of appointment/cessation	Reason
Khushboo Anish Pasari	December 27, 2024	Appointment as an additional independent director
Vinayak S Gan	January 31, 2024	Appointment as the Chairman

* *Does not include regularisation and re-appointments.*

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 regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the composition of our Board and constitution of the committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

1. Audit Committee;

2. Nomination and Remuneration Committee;

3. Stakeholders' Relationship Committee;

4. Corporate Social Responsibility Committee;

5. Risk Management Committee;

1. Audit Committee

The Audit Committee was re-constituted pursuant to resolution of our Board dated December 27, 2024. The current constitution of the Audit Committee is as follows:

Name of Director	Position in the committee	Designation
Ashutosh Prabhakar Joshi	Chairman	Independent Director
Aparna Krishnakant Pittie	Member	Non-Executive Nominee Director
Khushboo Anish Pasari	Member	Independent Director

The scope and functions of the audit committee are in accordance with Section 135 of the Companies Act, 2013 and its terms of reference, as stipulated pursuant to resolution passed by our Board in its meeting held on December 27, 2024, are set forth below:

(a) The Audit Committee shall have powers, which shall be as under:

(i) to investigate activity within its terms of reference;

(ii) to seek information from any employees;

(iii) to obtain outside legal or other professional advice;

(iv) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(v) to have such powers as may be prescribed under the Companies Act and the SEBI Listing Regulations."

(b) The terms of reference of the Audit Committee shall be as under:

(i) overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(ii) recommending to the Board for appointment, re-appointment, removal and replacement, remuneration and the terms of appointment of the auditors of the Company, including fixing the audit fees;

(iii) reviewing and monitoring the statutory auditors' independence and performance and the effectiveness of audit process;

(iv) approving payments to the statutory auditors for any other services rendered by statutory auditors;

(v) reviewing with the management, the annual financial statements and the auditors' report thereon before submission to the Board for approval, with particular reference to:

  (a) matters required to be stated in the Directors' responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act;

  (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) qualifications and modified opinions in the draft audit report.

(vi) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(vii) scrutinizing inter-corporate loans and investments;

(viii) undertaking or supervising valuation of undertakings or assets of the Company, wherever it is necessary;

(ix) evaluation of internal financial controls and risk management systems;

(x) formulating a policy on related party transactions, which shall include materiality of related party transactions;

(xi) approving transactions of the Company with related parties, or any subsequent modification thereof and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(xii) 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;

(xiii) reviewing, along with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;

(xiv) establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(xv) reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

(xvi) 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;

(xvii) discussing with internal auditors any significant findings and follow up thereon;

(xviii) 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;

(xix) discussing with the 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;

(xx) looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(xxi) approving the appointment of the chief financial officer, or any other person heading the finance function or discharging that function, after assessing the qualifications, experience and background, etc. of the candidate;

(xxii) reviewing the functioning of the whistle blower mechanism;

(xxiii) ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;

(xxiv) formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time;

(xxv) reviewing the utilization of loan and/or advances from investment by the holding company in the subsidiaries exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

(xxvi) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(xxvii) investigating any activity within its terms of reference, seeking information from any employee, obtaining outside legal or other professional advice and securing attendance of outsiders with relevant expertise, if it considers necessary;

(xxviii) reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively.

(xxix) reviewing:

(a) Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company’s financial statements or accounting policies;

(b) Any material default in financial obligations by the Company;

(c) Any significant or important matters affecting the business of the Company; and

(xxx) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, listing agreements, the Companies Act or other applicable law.

(c) The Audit Committee shall mandatorily review the following information:

(i) management’s discussion and analysis of financial condition and result of operations;

(ii) management letters/letters of internal control weaknesses issued by the statutory auditors;

(iii) internal audit reports relating to internal control weaknesses;

(iv) the appointment, removal and terms of remuneration of the chief internal auditor;

(v) the examination of the financial statements and the auditors’ report thereon; and

(vi) statement of deviations, including:

(a) quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

2. Nomination and Remuneration Committee ("NRC")

The NRC was constituted pursuant to resolution of our Board dated December 27, 2024. The current constitution of the NRC is as follows:

Name of Director	Position in the committee	Designation
Vinod K. Verma	Chairman	Independent Director
Ashutosh Prabhakar Joshi	Member	Independent Director
Aparna Krishnakant Pittie	Member	Non-Executive Nominee Director

The scope and function of the NRC is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

(a) identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board and the Chief Executive Officer;

(b) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board, a policy relating to the remuneration of the directors, key managerial personnel and other employees;

(c) while formulating the above policy, ensuring that:

(i) the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the 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.

(d) formulating criteria for evaluation of independent directors and the Board;

(e) devising a policy on diversity of the Board;

(f) 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, for every appointment of an independent director. Ensuring that the person recommended to the Board for appointment as an independent director has the capabilities identified in such description. Further, for the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

(i) use the services of an external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

(g) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance and specifying the manner for effective evaluation of performance of Board, its committees and individual directors, to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and reviewing its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(h) determining 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;

(i) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;

(j) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;

(k) recommending to the Board, all remuneration, in whatever form, payable to senior management;

(l) performing 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, as amended;

(m) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

(n) analyzing, monitoring and reviewing various human resource and compensation matters;

(o) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(p) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or

    (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and;

(q) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Companies Act, or other applicable law.

3. Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee was constituted pursuant to resolution of our Board dated August 9, 2018 and was re-constituted on December 27, 2024. The current constitution of the CSR Committee is as follows:

Name of Director	Position in the committee	Designation
Vinayak S. Gan	Chairman	Chairman and Whole-Time Director
Abhijeet V. Gan	Member	Managing Director and Chief Executive Officer
Vinod K. Verma	Member	Independent Director
Aparna Krishnakant Pittie	Member	Non-Executive Nominee Director

The terms of reference of the CSR Committee framed in accordance with Section 135 of the Companies Act, 2013, shall be restated as under:

(a) formulating and recommending to the Board, the policy on corporate social responsibility ("CSR", and such policy, the "CSR Policy"), indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act;

(b) identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) recommending the amount of expenditure to be incurred on the CSR activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) formulating the annual action plan of the Company;

(e) delegating responsibilities to the CSR team and supervising proper execution of all delegated responsibilities;

(f) monitoring the CSR Policy and CSR programmes and their implementation by the Company from time to time and issuing necessary directions as required for proper implementation and timely completion of CSR programmes; and

(g) performing such other activities as may be delegated by the Board and/or prescribed under any law to be attended to by the Corporate Social Responsibility Committee.

4. Stakeholders Relationship Committee ("SRC")

The SRC was constituted pursuant to resolution of our Board dated December 27, 2024. The current constitution of the SRC is as follows:

Name of Director	Position in the committee	Designation
Khusboo Anish Pasari	Chairman	Independent Director
Abhijeet V. Gan	Member	Managing Director and Chief Executive Officer
Aparna Krishnakant Pittie	Member	Non-Executive Nominee Director

The scope and function of the SRC is in accordance with Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

(a) redressal of grievances of the shareholders, debenture holders and other security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

(b) reviewing measures taken for effective exercise of voting rights by the shareholders;

(c) investigating complaints relating to allotment of shares, approving transfer or transmission of shares, debentures or any other securities; reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent and recommending measures for overall improvement in the quality of investor services;

(d) reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(e) reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;

(f) formulating procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(g) approving, registering, refusing to register transfer or transmission of shares and other securities;

(h) giving effect to dematerialisation of shares and re-materialisation of shares, sub- dividing, consolidating and/or replacing any share or other securities certificate(s) of the Company, compliance with all the requirements related to shares, debentures and other securities from time to time;

(i) issuing duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company; and

(j) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

5. Risk Management Committee ("RMC")

The RMC was constituted pursuant to a resolution of our Board dated November 20, 2023 and re-constituted pursuant to resolution of our Board dated December 27, 2024. The current constitution of the RMC is as follows:

'Name of Director	Position in the committee	Designation
Abhijeet V. Gan	Chairman	Managing Director and Chief Executive Officer
Ashutosh Prabhakar Joshi	Member	Independent Director

‘Name of Director	Position in the committee	Designation
Aparna Krishnakant Pittie	Member	Non-Executive Nominee Director
Shyam Balkrishna Bhattbhatt	Member	Chief Financial Officer

The scope and function of the RMC is in accordance with Regulation 21 of the SEBI Listing Regulations and its terms of reference shall be as follows:

(a) To formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the risk management committee;

- Measures for risk mitigation including systems and processes for internal control of identified risks; and

- Business continuity plan.

(b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(c) To monitor and oversee implementation of the risk management policy of the Company, including evaluating the adequacy of risk management systems;

(d) To periodically review the risk management policy of the Company, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;

(g) To frame, implement, review and monitor the risk management policy for the Company and such other functions, including cyber security;

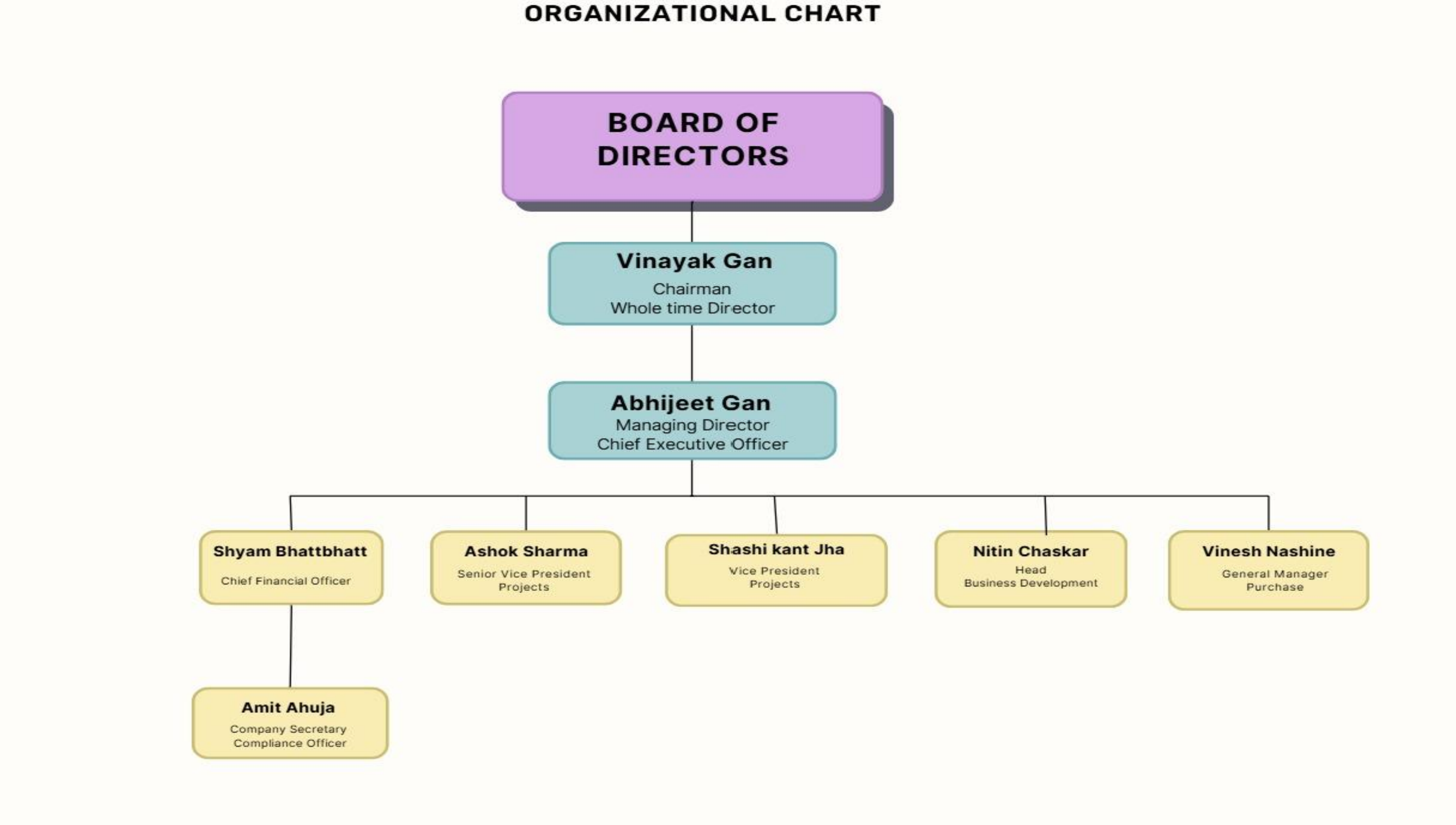
(h) To review the status of the compliance, regulatory reviews and business practice reviews;

(i) To review and recommend the Company’s potential risk involved in any new business plans and processes;

(j) To review the appointment, removal and terms of remuneration of the chief risk officer, if any; and

(k) To perform such other activities as may be delegated by the Board and/or prescribed under any law to be attended to by the Risk Management Committee.

Management organization chart



Key Managerial Personnel and Senior Management Personnel

Brief profiles of our Key Managerial Personnel

In addition to Abhijeet V. Gan and Vinayak S. Gan, whose details are disclosed under *"– Brief profiles of our Directors"* on page 258 above, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below:

Shyam Balkrishna Bhattbhatt is the Chief Financial Officer of our Company. He has been associated with our Company since October 15, 2021. He holds a bachelor's degree in commerce from South Gujarat University, a master's degree in commerce from Maharaja Sayajirao University of Baroda, and a post-graduate diploma in Business Management from NMIMS University. He is a member of the Institute of Company Secretaries of India and the Institute of Costs and Works Accountants of India. He is currently involved in the finance, financial reporting, accounts, costing, legal and secretarial functions of our Company. He was previously associated with Kaytee Corporation Private Limited, Lokhandwala Kataria Construction Limited, Capri Global Capital Limited, Deloitte Touche Tohmatsu India Private Limited, DG Patel & Company, Athi River Mining Limited, Paushak Limited, Efcon Securities Limited, Incorporated Engineers Limited and Ambalal Sarabhai Enterprises Limited. He has over 27 years of experience in the field of financial, accounts, strategy and costing. In the Fiscal Year 2024, he received a remuneration of ₹ 1.98 million (includes bonus on payment basis and excludes retirals like gratuity which are accounted on annual basis at our Company level).

Amit Ahuja is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since November 1, 2023. He holds a bachelor's degree in business administration and a bachelor's degree in law from Rashtrasant Tukadoji Maharaj Nagpur University. He is a member of the Institute of Company Secretaries of India. He is currently involved in regulatory and statutory compliances, secretarial practices and corporate governance functions of our Company. He was previously associated with Emul Tek Private Limited, Blastic (India) Private Limited and Maharashtra Enviro Power Limited. He has 7 years of experience in the field of legal and secretarial practice. In the Fiscal Year 2024, he received a remuneration of ₹ 0.32 million (includes bonus on payment basis and excludes retirals like gratuity which are accounted on annual basis at our Company level).

Brief profiles of our Senior Management

In addition to Shyam Balkrishna Bhattbhatt and Amit Ahuja, whose details are provided in "- *Brief profiles of our Key Managerial Personnel"* on page 271 above, the details of other Senior Management, is set forth below:

Ashok Kumar Sharma is the Senior Vice President – Projects of our Company. He has been associated with our Company since June 1, 2016. He holds a bachelor's degree in arts from Maharshi Dayanand Saraswati University, Ajmer, passed the examination for master's degree in political science and has passed the final year degree examination for Master of Business Administration with specialisation in human resource management from Jaipur National University. He is currently involved in the project management, execution, coordination and business development functions of our Company. He was previously associated with Hi-Tech Water Solutions Private Limited. He has 11 years of experience in the field of project management, execution, coordination and business development functions. In the Fiscal Year 2024, he received a remuneration of ₹ 2.26 million (includes bonus on payment basis and excludes retirals like gratuity which are accounted on annual basis at our Company level).

Shashi Kant Jha is the Vice President – Projects our Company. He has passed the Bachelor of Commerce (Honours) course examination from Ranchi University. He has been associated with our Company since April 1, 2018, and is currently involved in the project management, execution, coordination and business development functions of our Company. He was previously associated with Shri Vijaya International and Anir Engineering Inc. He has nearly 16 years of experience in the field of project management, execution, coordination and business development functions. In the Fiscal Year 2024, he received a remuneration of ₹ 0.96 million (includes bonus on payment basis and excludes retirals like gratuity which are accounted on annual basis at our Company level).

Vinesh Nashine is the General Manager – Purchase of our Company. He holds a post-graduate diploma in computer science and application and a post-graduate diploma in business administration from Nagpur University. He has been associated with our company since March 12, 2022, and is currently involved in the purchase management, rate negotiations, analysis and vendor development functions of our Company. He was previously associated with M/s Sunil HiTech Engineers Limited, M/s Uniworth Textiles Limited, M/s Sunflag Iron & Steel Co. Limited. He has 22 years of experience in the field of project management, execution, coordination and business development functions. In the Fiscal Year 2024, he received a remuneration of ₹ 1.38 million (includes bonus on payment basis and excludes retirals like gratuity which are accounted on annual basis at our Company level).

Nitin Chaskar is the Head – Business Development our Company. He holds a Bachelor of Arts degree and a master's in business administration from Savitribai Phule Pune University. He has been associated with our Company since August 24, 2022, and is currently involved in handling business development for our Company. He was previously associated with Disha

Enterprises, Thermax Limited and Kalyani Sharp India Limited. He has 13 years of experience in the field of overseeing and managing execution and delivery of projects. In the Fiscal Year 2024, he received remuneration of ₹ 1.03 million (includes bonus on payment basis and excludes retirals like gratuity which are accounted on annual basis at our Company level).

Status of the Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Retirement and termination benefits

Except applicable statutory benefits, none of our Key Managerial Personnel and Senior Management Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

Family relationships of Directors with Key Managerial Personnel and Senior Management

Except as stated in "– *Relationship between our Directors*" on page 259 above, none of our Key Managerial Personnel or Senior Management Personnel are related to any of our Directors, or other Key Managerial Personnel and Senior Management Personnel of our Company.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others**.**

Shareholding of the Key Managerial Personnel and Senior Management

Except as disclosed in "- *Shareholding of Directors in our Company*" on page 261 above, none of the Key Managerial Personnel and Senior Management Personnel hold any Equity Shares as on date of this Draft Red Herring Prospectus.

Payment or benefits to Key Managerial Personnel and Senior Management

In Fiscal 2024, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Key Managerial Personnel or Senior Management Personnel (including contingent or deferred compensation) other than the remuneration as disclosed in "– *Terms of appointment of our Executive Directors"* and "-*Key Managerial Personnel and Senior Management*" on page 260 and 271 respectively.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

Our Company does not have any performance linked bonus or a profit-sharing plan for our Key Managerial Personnel and Senior Management Personnel as on the date of this Draft Red Herring Prospectus.

Interest of Key Managerial Personnel and Senior Management Personnel

For details of the interest of the Executive Directors of our Company, see "–*Interest of Directors*" on page 261.

Other than our Executive Directors, our other Key Managerial Personnel and Senior Management Personnel are interested in our Company only to the extent of the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company or any dividend payable to them.

Details with respect to the employee stock options held by the Key Managerial Personnel and members of the Senior Management Personnel are set out below:

Name of person	Number of options granted	Number of options vested	Number of options unvested
Key Managerial personnel			
Vinayak S. Gan	NA	NA	NA
Abhijeet V. Gan	NA	NA	NA
Shyam Balkrishna Bhattbhatt	18,300	Nil	Nil
Amit Ahuja	3,010	Nil	Nil
Member of Senior Management			
Ashok Kumar Sharma	26,500	Nil	Nil
Shashi Kant Jha	6,690	Nil	Nil
Vinesh Nashine	5,020	Nil	Nil
Nitin Chaskar	3,450	Nil	Nil

There is no conflict of interest between the lessors of immoveable properties, suppliers of raw materials and third party service providers, which are crucial for the operations of our Company, and our Key Managerial Personnel and Senior Management.

Changes in the Key Managerial Personnel and Senior Management Personnel in last three years

The changes to our Key Managerial Personnel and Senior Managerial Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Name	Date of appointment/cessation	Reason
Amit Ahuja	November 1, 2023	Appointment as Company Secretary and Compliance Officer
Nitin Chaskar	August 24, 2022	Appointment as Head – Business Development
Vinesh Nashine	March 13, 2022	Appointment as General Manager - Purchase

Note: Does not include changes in designations.

Further, the attrition rate of the Key Managerial Personnel and Senior Management Personnel of our Company is not high as compared to our peers.

Payment or benefit to officers of our Company (non-salary related)

No amount or benefit has been paid or given since incorporation or intended to be paid or given to any officer of our Company, including our Key Managerial Personnel and Senior Management.

Employee stock options

Our Company has formulated an employee stock option scheme as of the date of this Draft Red Herring Prospectus. For further details, see "*Capital Structure*" on page 93.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Vinayak S. Gan and Abhijeet V. Gan are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

S. No.	Name of the Promoter	Number of Equity Shares of face value of ₹2 each	Percentage of the pre-Offer issued, subscribed and paid-up Equity Share capital on a fully-diluted basis (in %)*
1.	Vinayak S. Gan	34,951,200	40.94
2.	Abhijeet V. Gan	22,381,050	26.22
Total		**57,332,250**	**67.16**

* *Prior to filing of the Red Herring Prospectus with RoC, an aggregate of 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters – Key terms of other subsisting material agreements" on pages 101 and 252 respectively.*

For details, see "*Capital Structure – Shareholding of our Promoters and member of our Promoter Group*" on page 106.

Details of our Promoters are as follows:

Vinayak S. Gan

Vinayak S. Gan, aged 74 years, is a Promoter as well as the Chairman and Whole-Time Director of our Company.

Date of Birth: March 27, 1950

Address: Plot No. 19, Krishna Kunj, R.P.T.S. Road, Near Mate Chowk, Friends Colony, Rana Pratap Nagar, Nagpur, Maharashtra – 440022

Permanent Account Number: ABPPG5577N

For the complete profile of Vinayak S. Gan, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 257.

Abhijeet V. Gan

Abhijeet V. Gan, aged 42 years, is a Promoter as well as the Managing Director and Chief-Executive Officer of our Company.

Date of Birth: January 22, 1983

Address: Plot No. 19, Krishna Kunj, R.P.T.S. Road, Near Mate Chowk, Friends Colony, Rana Pratap Nagar, Nagpur, Maharashtra – 440022

Permanent Account Number: AKFPG9307D

For the complete profile of Abhijeet V. Gan, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management – Board of Directors*" on page 257.

Our Company confirms that the PAN, bank account number(s), Aadhaar card number, driving license number and passport number of our Promoters shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Change in control of our Company

Vinayak S. Gan and Abhijeet V. Gan are not the original promoters of our Company. For further details, see "*Capital Structure - Equity Share capital history of our Company*" on page 93.

There has not been any change in control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Other ventures of our Promoters

Other than as disclosed in "*Our Management – Board of Directors*", "*- Promoter Group – Entities forming part of our Promoter Group*" and "*Group Company*" on pages 257, 276 and 426 respectively, our Promoters are not involved in any other ventures. Further, our Promoters do not have any direct interest in any venture that is involved in the same line of activity or business as conducted by our Company.

Interests of Promoters

Our Promoters are interested in our Company: (i) to the extent that they have promoted our Company; (ii) to the extent of their direct or indirect shareholding in our Company and the shareholding of their relatives; and (iii) the dividend payable upon such shareholding and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives or such entities, if any. For further details, see "*Capital Structure – Shareholding of our Promoters and member of our Promoter Group*" on page 106. Additionally, our Promoters may be interested in transactions entered into by our Company or our Subsidiaries with them, their relatives or other entities (i) in which our Promoters hold shares, directly or indirectly or (ii) which are controlled by our Promoters.

Our Promoters are not interested in any of the properties leased by our Company and our Material Subsidiary as on the date of this Draft Red Herring Prospectus, other than as disclosed in "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 28*" on page 346.

Both our promoters are interested in our Company as Executive Directors and may be deemed to be interested in the remuneration, commission and sitting fees payable to them and the reimbursement of expenses incurred by them in the capacity of Executive Directors. For further details, see "*Our Management – Interest of Directors*" on page 261.

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a Director or Promoter or otherwise for services rendered by our Promoters, 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 Promoters do 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.

None of our Promoters have any interest in any property acquired or proposed to be acquired by our Company or our subsidiaries during the three years preceding the date of this Draft Red Herring Prospectus.

Payment or benefits to Promoters or Promoter Group

Except as disclosed herein and as stated in "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 28*" on page 346, there has been no payment or benefits by our Company to our Promoters or any of the members of our Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or any members of our Promoter Group as on the date of this Draft Red Herring Prospectus.

Companies or firms with which our Promoters have disassociated in the last three years

None of our Promoters have dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus.

Material guarantees given by our Promoters to third parties with respect to Equity Shares of our Company

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

Conflict of interest

Except as stated below there are no common pursuits between our Promoters or members of our Promoter Group and our Company:

Rite Water (India) Private Limited, our Promoter Group entity and our Group Company, is authorised to trade in household water purifiers under the brand 'Rite Water' and operating water ATMs. However, we do not perceive any conflict of interest in this regard as their business is synergistic with the business of our Company. Our Company will adopt necessary procedures and practices as permitted by law to address any situations of conflict of interest, if and when they arise.

There is no conflict of interest between our Promoters or members of our Promoter Groups and the suppliers of raw materials, lessor of immovable property and third-party service providers, which are crucial for the operations of our Company.

Promoter Group

In addition to our Promoters, 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 our Promoter Group

The natural persons who are part of our Promoter Group, other than our Promoters, are as follows:

Name of our Promoter	Name of member of our Promoter Group	Relationship with our Promoter
Vinayak S. Gan	Abhijeet V. Gan	Son
	Radhika Dorle	Daughter
	Gopal Gan	Brother
	Purshottam Gan	Brother
	Nisha Makashir	Spouse's sister
	Meena Khirdwadkar	Spouse's sister
	Anand Roday	Spouse's brother
Abhijeet V. Gan	Aarti Gan	Spouse
	Vinayak S. Gan	Father
	Radhika Dorle	Sister
	Advay Gan	Son
	Aarohi Gan	Daughter
	Vinay Deodhar	Spouse's father
	Varsha Deodhar	Spouse's mother
	Abhishek Deodhar	Spouse's brother

Entities forming part of our Promoter Group

The companies, bodies corporate, HUFs, trusts and firms forming part of our Promoter Group are as follows:

1. Abhijeet Gan H.U.F.
2. Central Agencies
3. Garden Enterprises
4. Garden Fragrances Private Limited
5. Nagpur Chemicals
6. Premier Agencies
7. Rite Water (India) Private Limited
8. Vaishali Gan Foundation
9. Vinayak Gan H.U.F.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013.

The dividend distribution policy of our Company was approved and adopted by our Board on December 27, 2024 ("**Dividend Policy**").

The dividend pay-out shall be determined by our Board after taking into account a number of factors, including: (i) internal factors such as profits earned during the year, present and future capital requirements of the existing businesses, business acquisitions, expansion or modernization of existing businesses based on availability of external finance and relative cost of external funds, additional investments in subsidiary or joint ventures of our Company, restriction in loan agreement(s), any other factor as deemed fit by the Board; and (ii) external factors such as economic and industry outlook, growth outlook, statutory or regulatory restrictions or covenants with lenders or bond holders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

Our Company has not declared any dividends during the nine-month period ended December 31, 2024, the last three Fiscal years and for the period from January 1, 2025, until the date of this Draft Red Herring Prospectus, on the Equity Shares.

Except as disclosed below, our Company has not declared any dividends during the nine-month period ended December 31, 2024, the last three Fiscal years and for the period from January 1, 2025 until the date of this Draft Red Herring Prospectus, on the preference shares:

(₹ in million, except otherwise stated)

Particulars	From January 1, 2025 till the date of this Draft Red Herring Prospectus	From April 1, 2024 till December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
No. of preference shares at the end of period (Nos)	4,60,531	4,60,531	4,60,531	-**	2,00,000
Face value of preference shares (in ₹)	10.00	10.00	10.00	100.00	100.00
Dividend per preference shares (in ₹)	Nil	Nil	0.01 per annum at coupon rate, effective for the period preference shares were held is 0.00	2.00	2.00
Total amount of dividend paid	Nil	Nil	0.00#	0.40	0.40
Dividend rate (%)	Nil	Nil	0.10% per annum at coupon rate, effective for the period preference shares were held is 0.04%	2.00%	2.00%
Dividend distribution tax (%)	Nil	Nil	Nil	Nil	Nil
Dividend Distribution Tax	Nil	Nil	Nil	Nil	Nil
Mode of distribution	NA	NA	Cash	Cash	Cash

** *2,00,000 Preference shares having face value of Rs. 100 were converted to equity shares by our Company before March 31, 2023 and dividend was paid up to the date of conversion.*

Less than ₹ 5,000

* *As certified by PKF Sridhar & Santhanam LLP, with firm registration number 003990S/S200018, pursuant to their certificate dated February 10, 2025.*

The amount of dividend paid in the past is not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future on the Equity Shares. For details of risks in relation to our capability to pay dividend, see "*Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*" on page 64.

SECTION VI – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL STATEMENTS

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Independent Auditor's Examination Report on Restated Consolidated Statements

To the Board of Directors
Rite Water Solutions (India) Limited
(formerly known as Rite Water Solutions (India) Private Limited)
K-60, MIDC Industrial Area, Hingna Road
Nagpur – 440 016, Maharashtra, India

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Statements of Rite Water Solutions (India) Limited (*formerly known as Rite Water Solutions (India) Private Limited*) (the "**Company**" or the "**Issuer**"), and its subsidiaries (the Company and its subsidiaries collectively referred to as the "**Group**"), which comprise the restated consolidated statement of assets and liabilities as at 31 December 2024, 31 March 2024, 31 March 2023 and 31 March 2022 and the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of cash flows and the restated consolidated statement of changes in equity for the nine months period ended 31 December 2024 and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, the summary of material accounting policies, and other explanatory information (hereinafter collectively referred to as "**Restated Consolidated Financial Statements**"), as approved by the Board of Directors of the Company (the "**Board**") at their meeting held on February 6, 2025 for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**"), Red Herring Prospectus ("**RHP**") and the Prospectus (collectively, the "**Offer Documents**") being prepared by the Company in connection with its proposed Initial Public Offer of equity shares of the Company (the "**IPO**") in terms of the requirements of:

   a) the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended from time to time (the "**Act**"),

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), and

   c) the Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended (the "**Guidance Note**").

2. The Company's Management is responsible for the preparation of the Restated Consolidated Financial Statements which has been approved by the Board for the purpose of inclusion in the Offer Documents to be filed with Securities Exchange and Board of India (the "**SEBI**"), Registrar of Companies, Maharashtra at Mumbai ("**ROC**"), BSE Limited and National Stock Exchange of India Limited ("**NSE**") (collectively the "**Stock Exchanges**") in connection with the proposed IPO. The Restated Consolidated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Note 2.1(A) of Annexure V – Summary of Material accounting policies, key accounting estimates and judgements of the Restated Consolidated Financial Statements. The respective board of directors of the companies included in the Group is responsible for designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Statements. The respective board of directors are also responsible for ensuring that the Group complies with the Act, SEBI ICDR Regulations and Guidance Note, as applicable.

3. We have examined these Restated Consolidated Financial Statements taking into consideration:

   a) the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 10 January 2025 in connection with the proposed IPO,

   b) the Guidance Note, which requires that we comply with the ethical requirements of the Code of Ethics of the ICAI,

c) the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Statements, and

d) the requirements of Section 26(1) of the Act and SEBI ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, and the SEBI ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Statements have been compiled by the management from:

a) the audited special purpose consolidated interim financial statements of the Group as at and for the nine months period ended 31 December 2024 ("**Special Purpose Consolidated Interim Financial Statements**") prepared in accordance with recognition and measurement principles of Ind AS - 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on February 6, 2025.

b) the audited consolidated financial statements of the Group as at and for the year ended 31 March 2024 ("**Consolidated Financial Statements**") prepared in accordance with the Indian Accounting Standard ('**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 24 September 2024.

c) the audited special purpose consolidated Ind AS financial statements of the Group as at and for the years ended 31 March 2023 and audited special purpose consolidated Ind AS financial statements of the Group as at and for the years ended 31 March 2022 (both together hereinafter referred as the "**Special Purpose Consolidated Ind AS Financial Statements**") each prepared in accordance with the Ind 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 February 6, 2025. These Special Purpose Consolidated Ind AS Financial Statements had been prepared by making adjustments required under Ind AS to the audited consolidated IGAAP financial statements of the Company as at and for the years ended 31 March 2023 and 31 March 2022 (the "**Statutory Consolidated Indian GAAP Financial Statements**") prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended, and other accounting principles generally accepted in India, which were approved by the Board of directors at their meeting held on 16 September 2023 and 29 September 2022 respectively.

5. For the purpose of our examination, we have relied on:

a) Auditors' report issued by us dated February 6, 2025 on the Special Purpose Consolidated Interim Financial Statements of the Group as at and for the nine months period ended 31 December 2024 as referred in paragraph 4(a) above, which included an Emphasis of Matter as mentioned below.

Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use:

(i) We draw attention to note 36 of the Special Purpose Consolidated Interim Financial Statements about the exit proposal agreed between the Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the financial statements.

(ii) We draw attention to Note 2.1(A) to Special Purpose Consolidated Interim Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Interim Financial Statements and non-inclusion of comparative amounts for the nine months ended 31 December 2023. These Special Purpose Consolidated Interim Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statement of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Company as required by Sub section (1) of Section 26 of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Interim Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of the above matters.

b) Auditors' report issued by us dated 24 September 2024 on the Consolidated Financial Statements of the Group as at and for the year ended 31 March 2024 as referred in paragraph 4(a) above, which included Emphasis of Matter and Other Matter paragraph as mentioned below.

Emphasis of Matter:

We draw attention to note 38 of the consolidated financial statement about the exit proposal agreed between the Company, its shareholders and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the books for FY23 and FY24. Our opinion is not modified with respect to above matter.

Other Matter:

The financial information of the Group for the year ended 31 March 2023 and the transition date opening balance sheet as at 01 April 2022 included in the consolidated financial statements, are based on the previously issued statutory financial statements for the years ended 31 March 2023 and 31 March 2022 respectively prepared in accordance with the Companies (Accounting Standards) Rules, 2021, have been audited by us and we issued our audit opinion vide our audit reports dated 16 September 2023 and 29 September 2022 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Group on transition to Ind AS have been audited by us. Our opinion is not modified in respect of this matter.

c) Auditors' reports issued by us dated February 6, 2025 on the Special Purpose Consolidated Ind AS Financial Statements of the Group as at and for the years ended 31 March 2023 and 31 March 2022 as referred in paragraph 4(c) above, which included Emphasis of Matters as mentioned below.

Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use:

(i) We draw attention to note 37 of the Special Purpose Consolidated Ind AS Financial Statements about the exit proposal agreed between the Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the financial statements.

(ii) We draw attention to Note 2.1(A) to Special Purpose Consolidated Ind AS Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Ind AS Financial Statements. These Special Purpose Consolidated Ind AS Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statement of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Company as required by Sub section (1) of Section 26 of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. The Board of Directors of the Company at their meeting held on 16 September 2023 had approved a set of general-purpose consolidated financial statements for the year ended 31 March 2023, prepared in accordance with the accounting standards (AS) notified under Section 133 of the Companies Act 2013 (the "Act") and other applicable accounting practices and we had issued our report thereon covering required matters dated 16 September 2023 under our UDIN 23131178BGTQFK4283. Further, this report should not be construed as withdrawal of or modification of our report dated 16 September 2023 issued on general-purpose consolidated Financial Statements of the Group.

Our Opinion is not modified in respect of the above matters.

(iii) We draw attention to Note 2.1(A) to Special Purpose Consolidated Ind AS Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Ind AS Financial Statements and non-inclusion of comparative amounts for the year ended 31 March 2021. These Special Purpose Consolidated Ind AS Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statement of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Holding Company as required by Sub section (1) of Section 26 of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. The Board of Directors of the Company at their meeting held on 29 September 2022 had approved a set of general-purpose consolidated financial statements for the year ended 31 March 2022, prepared in accordance with the accounting standards (AS) notified under Section 133 of the Companies Act 2013 (the "Act") and other applicable accounting practices and we had issued our report thereon covering required matters dated 29 September 2022 under our UDIN 22131178AXTKYS7382. Further, this report should not be construed as withdrawal of or modification of our report dated 29 September 2022 issued on general-purpose consolidated Financial Statements of the Group.

Our Opinion is not modified in respect of the above matters.

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Statements:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2024, 31 March 2023 and 31 March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine months period ended 31 December 2024,

b) does not contain any qualifications requiring adjustments. There are Emphasis of Matter paragraphs (refer paragraph 5 above), which do not require any adjustment to the Restated Consolidated Financial Statements, and

c) have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note, as applicable.

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

8. The Restated Consolidated Financial Statements do not reflect the effects of events, except for changes in computation of earnings per share, that occurred subsequent to the respective dates of the reports on the Consolidated Financial Statements, Special Purpose Consolidated Interim Financial Statements and Special Purpose Consolidated Ind AS Financial Statements mentioned in paragraph 5 above.

9. This Examination Report should not in any way be construed as a reissuance or re-dating of any of the previous reports issued by us, nor should this report be construed as a new opinion on any of the Consolidated Financial Statements / Special Purpose Consolidated Ind AS Financial Statements / Special Purpose Consolidated Interim Financial Statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

11. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with SEBI, ROC and Stock Exchanges in connection with the 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 without our prior consent in writing.

12. This report has not been prepared in connection with, nor is it intended for use in any connection with, any offer or sale of securities in United States of America. We will accept no duty or responsibility to and deny any liability to any party in respect of any use of this letter in connection with an offer or sale of the Securities in United States of America.

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm's Registration No.003990S/S200018

Sd/-
Dhiraj Kumar Birla
Partner
Membership No.
UDIN: 25131178BMLBSH5762

Place: Mumbai
Date: February 6, 2025

Rite Water Solutions (India) Limited (formerly Rite Water Solutions (India) Private Limited)
CIN: U29100MH2004PLC148812
Registered office Address: K-60, MIDC Industrial Area, Hingna Road, Nagpur, Maharashtra – 440016

(All amounts are in Rupees millions, unless otherwise stated)

Annexure I - Restated Consolidated Statement of Assets and Liabilities

Particulars	Note No. (Annexure VI)	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
ASSETS					
Non-current assets					
Property, plant and equipment	3A	28.44	27.44	34.79	26.41
Right of use assets	3B	54.85	13.22	5.81	5.92
Intangible assets	3C	-	0.07	0.08	0.14
Financial assets					
Other financial assets	4	472.41	143.17	136.19	116.37
Deferred Tax assets	5	66.68	47.16	94.96	142.82
Other non-current assets	6	24.83	33.36	30.15	35.29
Total non-current assets		**647.21**	**264.42**	**301.98**	**326.95**
Current assets					
Inventories	7	623.80	206.15	65.96	30.93
Financial assets					
Investments	8	52.54	253.15	-	-
Trade receivables	9	1,357.64	287.33	172.40	295.42
Cash & Cash equivalents	10A	21.22	519.97	275.93	62.71
Other Bank Balances	10B	96.00	342.58	13.36	63.58
Other financial assets	4	1,199.46	983.35	402.77	175.41
Other current assets	6	223.93	95.54	28.93	55.90
Total current assets		**3,574.59**	**2,688.07**	**959.35**	**683.95**
Total assets		**4,221.80**	**2,952.49**	**1,261.33**	**1,010.90**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	11	143.09	23.85	28.11	26.05
Instruments entirely equity in nature	11	4.61	4.61	-	20.00
Other equity	12	2,909.37	2,313.54	903.60	635.80
Non-controlling interest		-	-	-	**-**
Total equity		**3,057.07**	**2,342.00**	**931.71**	**681.85**
LIABILITIES					
Non-current liabilities					
Financial Liabilities					
Borrowings	13A	6.22	6.21	8.24	9.94
Lease liabilities	3B	43.81	9.02	2.96	3.90
Other Financial liabilities	14	3.71	3.31	3.64	4.82
Provisions	15	3.04	2.61	2.09	1.42
Total non-current liabilities		**56.78**	**21.15**	**16.93**	**20.08**

Rite Water Solutions (India) Limited (formerly Rite Water Solutions (India) Private Limited)
CIN: U29100MH2004PLC148812
Registered office Address: K-60, MIDC Industrial Area, Hingna Road, Nagpur, Maharashtra – 440016

(All amounts are in Rupees millions, unless otherwise stated)

Annexure I - Restated Consolidated Statement of Assets and Liabilities (Continued)

Particulars	Note No. (Annexure VI)	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at31 March 2022
Current liabilities					
Financial liabilities					
Borrowings	13B	398.21	166.11	29.14	151.69
Lease liabilities	3B	11.05	5.12	3.12	2.09
Trade payables	16				
Total outstanding dues of micro enterprises and small enterprises; and		60.66	95.84	2.28	0.01
Total outstanding dues of creditors other than micro enterprises and small enterprises		359.69	185.10	199.24	121.10
Other financial liabilities	14	47.41	20.22	29.22	11.30
Other current liabilities	17	3.32	33.22	19.16	4.04
Provisions	15	29.84	18.83	19.78	7.32
Current tax liabilities		197.77	64.90	10.75	11.42
Total current liabilities		**1,107.95**	**589.34**	**312.69**	**308.97**
Total liabilities		**1,164.73**	**610.49**	**329.62**	**329.05**
Total equity and liabilities		**4,221.80**	**2,952.49**	**1,261.33**	**1,010.90**

The above statement should be read in conjunction with notes in
- Summary of Material accounting policies, key accounting estimates and judgements - **Annexure V**
- Consolidated Summary Statement of notes and other Explanatory Information forming part of Restated Consolidated Summary Statements - **Annexure VI**
- Statement of Restated Adjustments to the Consolidated Financial Statements / Special Purpose Consolidated Ind AS Financial Statements -**Annexure VII**

As per our examination report of even date attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S/S200018

For and on behalf of the Board
Rite Water Solutions (India) Limited
(formerly Rite Water Solutions (India) Private Limited)

Sd/-
Dhiraj Kumar Birla
Partner
Membership No: 131178

Sd/-
Abhijeet Vinayak Gan
Managing Director
DIN: 01350305

Sd/-
Vinayak Shankarrao Gan
Whole Time Director
DIN: 01581401

Date: February 6, 2025
Place: Mumbai

Sd/-
Shyam Bhattbhatt
Chief Financial Officer

Date: February 6, 2025
Place: Nagpur

Sd/-
Amit Vijay Ahuja
Company Secretary
Membership No: A58875

Date: February 6, 2025
Place: Nagpur

(All amounts are in Rupees millions, unless otherwise stated)

Annexure II - Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income)

Particulars	Note no. (Annexure VI)	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Income					
Revenue from operations	18	3,056.79	2,027.49	1,194.34	768.14
Other income	19	39.69	40.94	21.52	20.45
Total Income		**3,096.48**	**2,068.43**	**1,215.86**	**788.59**
Expenses					
Cost of material consumed	20	1,345.78	703.34	348.66	227.36
Purchase of Stock in trade		0.69	0.19	0.35	0.06
Changes in inventories of finished goods	21	-	7.70	(7.70)	15.18
Employee benefit expense	22	117.08	111.50	92.53	47.54
Finance costs	23	19.29	22.67	18.69	18.73
Depreciation and amortisation expense	3	23.53	16.79	7.43	3.64
Other expenses	24	621.75	499.79	395.56	391.01
Total Expenses		**2,128.12**	**1,361.98**	**855.52**	**703.52**
Restated Profit before exceptional items and tax		**968.36**	**706.45**	**360.34**	**85.07**
Exceptional Items		-	-	-	-
Restated Profit before tax		**968.36**	**706.45**	**360.34**	**85.07**
Tax expense:					
a) Current tax		272.82	165.89	62.29	29.40
b) Deferred tax		(19.52)	47.76	47.84	(31.08)
Total Tax expense	5	**253.30**	**213.65**	**110.13**	**(1.68)**
Restated Profit for the year/period		**715.06**	**492.80**	**250.21**	**86.75**
Restated Other comprehensive income					
Items that will not be reclassified to profit or loss					
- Remeasurements of post-employment benefit obligations		0.01	0.12	0.06	1.51
- Income tax relating to items above		-	(0.04)	(0.02)	(0.44)
Restated total other comprehensive income		**0.01**	**0.08**	**0.04**	**1.07**
Restated total comprehensive income for the year/period (after tax)		**715.07**	**492.88**	**250.25**	**87.82**
Restated Earnings per equity share (₹ 2 share)					
Basic earnings per share *	25	9.99	7.43	2.97	1.03
Diluted earnings per share *		8.38	6.86	2.97	1.03

* Basic earnings per share / Diluted earnings per shares for the nine months period ended 31 December 2024 is not annualised.
(**Also Refer Note 11 to Annexure VI**)

(All amounts are in Rupees millions, unless otherwise stated)

Annexure II - Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income) (Continued)

The above statement should be read in conjunction with notes in

- Summary of Material accounting policies, key accounting estimates and judgements - **Annexure V**
- Consolidated Summary Statement of notes and other Explanatory Information forming part of Restated Consolidated Summary Statements - **Annexure VI**
- Statement of Restated Adjustments to the Consolidated Financial Statements / Special Purpose Consolidated Ind AS Financial Statements -**Annexure VII**

As per our examination report of even date attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.
003990S/S200018

Sd/-
Dhiraj Kumar Birla
Partner
Membership No: 131178

Date: February 6, 2025
Place: Mumbai

For and on behalf of the Board
Rite Water Solutions (India) Limited (formerly Rite Water Solutions (India) Private Limited)

Sd/-
Abhijeet Vinayak Gan
Managing Director
DIN: 01350305

Sd/-
Vinayak Shankarrao Gan
Whole Time Director
DIN: 01581401

Sd/-
Shyam Bhattbhatt
Chief Financial Officer

Date: February 6, 2025
Place: Nagpur

Sd/-
Amit Vijay Ahuja
Company Secretary
Membership No: A58875

Date: February 6, 2025
Place: Nagpur

(All amounts are in Rupees millions, unless otherwise stated)

Annexure III - Restated Consolidated Statement of Cash Flows

Particulars	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities				
Restated Profit before tax	968.36	706.45	360.34	85.07
Adjustments for:				
- Depreciation and amortisation expense	10.39	11.18	4.45	2.43
- Depreciation for Right of use assets	13.14	5.61	2.98	1.21
- Interest on Lease Liability	4.00	1.09	0.60	0.17
- Bad Debts and Expected credit loss	123.23	27.24	18.24	66.07
- Interest on unwinding of Lease deposits	(0.47)	(0.04)	(0.02)	(0.02)
- Finance cost	15.29	20.03	18.09	18.56
- Fair valuation gain on security deposits	(10.64)	(6.02)	(14.65)	(9.72)
- Fair valuation of investments	(8.59)	-	2.71	-
- Interest income on deposits	(19.71)	(23.20)	(6.80)	(7.49)
- Profit on sale of investments	(0.28)	-	-	-
Operating profit before working capital changes	**1,094.72**	**742.34**	**385.94**	**156.28**
- Decrease/(increase) in inventories	(417.65)	(140.19)	(35.03)	(7.01)
- Decrease/(increase) in trade receivables	(1,193.54)	(142.07)	106.55	(145.37)
- Decrease/(increase) in other assets	(119.86)	(69.82)	32.11	(28.89)
- Decrease/(increase) in other financial assets	(534.71)	(581.54)	(232.53)	14.07
- Increase/(decrease) in trade payables	139.66	79.42	78.64	31.29
- Increase/(decrease) in provisions	11.45	(0.31)	13.19	1.65
- Increase/(decrease) in other liabilities	(29.90)	14.06	15.12	(3.16)
- Increase/(decrease) in other financial liabilities	27.61	(9.33)	16.74	8.58
Cash generated from operations	**(1,022.22)**	**(107.44)**	**380.73**	**27.44**
Income taxes paid	(139.95)	(111.74)	(62.96)	(26.48)
Net cash inflow (used in) / generated from operating activities (A)	**(1,162.17)**	**(219.18)**	**317.77**	**0.96**
Cash flows from investing activities				
- (Purchase) of fixed assets, including intangible assets	(11.32)	(3.82)	(12.95)	(1.69)
- Sale proceeds of fixed assets	-	-	0.18	0.03
- Sale / (Purchase) of Mutual Fund investments (net)	209.20	(253.15)	(2.71)	
- Encashment of / (Investments in) fixed deposits with remaining maturity of more than 3 months (net)	246.58	(329.22)	50.22	53.00
- Interest income on deposits	19.71	23.20	6.80	7.49
- Proceeds from sale of investment	0.03	-	-	-
Net cash (used in) / generated from investing activities (B)	**464.20**	**(562.99)**	**41.54**	**58.83**
Cash flows from financing activities				
- Increase/(decrease) in long term borrowings	0.01	(2.03)	(1.70)	(154.85)
- Increase/(decrease) in short term borrowings	232.10	136.97	(122.55)	177.90
- Payment of lease liability, rentals and deposits	(17.58)	(6.01)	(3.35)	(2.53)
- Finance cost	(15.29)	(20.03)	(18.09)	(27.11)
- Dividend Paid	-	-	(0.40)	(0.40)
- Proceeds from issue of equity shares & Instruments entirely equity in nature	-	987.32	-	-
- Equity shares bought back	-	(70.01)	-	-

Rite Water Solutions (India) Limited (formerly Rite Water Solutions (India) Private Limited)
CIN: U29100MH2004PLC148812
Registered office Address: K-60, MIDC Industrial Area, Hingna Road, Nagpur, Maharashtra – 440016

(All amounts are in Rupees millions, unless otherwise stated)

Annexure III - Restated Consolidated Statement of Cash Flows (Continued)

Particulars	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Net cash generated from / (used in) from financing activities (C)	**199.24**	**1,026.21**	**(146.09)**	**(6.99)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(498.73)	244.04	213.22	52.80
Add: Cash and cash equivalents at the beginning of the financial year/period	519.97	275.93	62.71	9.91
Less: Adjustment to on account of sale of subsidiary	(0.02)	-	-	-
Cash and cash equivalents at end of the year/period (note 10A)	**21.22**	**519.97**	**275.93**	**62.71**

The above statement should be read in conjunction with notes in
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- Statement of Restated Adjustments to the Consolidated Financial Statements / Special Purpose Consolidated Ind AS Financial Statements -**Annexure VII**

As per our examination report of even date attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S/S200018

For and on behalf of the Board
Rite Water Solutions (India) Limited (formerly Rite Water Solutions (India) Private Limited)

Sd/-
Dhiraj Kumar Birla
Partner
Membership No: 131178

Sd/-
Abhijeet Vinayak Gan
Managing Director
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Whole Time Director
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Date: February 6, 2025
Place: Mumbai

Sd/-
Shyam Bhattbhatt
Chief Financial Officer

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Amit Vijay Ahuja
Company Secretary
Membership No: A58875

Date: February 6, 2025
Place: Nagpur

Date: February 6, 2025
Place: Nagpur

Rite Water Solutions (India) Limited (formerly Rite Water Solutions (India) Private Limited)
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(All amounts are in Rupees millions, unless otherwise stated)

Annexure IV - Restated Consolidated Statement of changes in Equity

A. Equity Share Capital

Particulars	No. of shares	Amount
Issued, Subscribed and fully paid equity shares of ₹ 10 each / ₹ 2 each		
Restated balance as at 1 April 2021	**26,05,291**	**26.05**
Changes in Equity Shares Capital due to prior period errors		
Changes in Equity Share Capital during the year ended 31 March 2022	-	-
Restated balance as at 31 March 2022 (of ₹ 10 each)	**26,05,291**	**26.05**
Changes in Equity Shares Capital due to prior period errors	-	-
Changes in Equity Share Capital during the year ended 31 March 2023	-	-
Add: Issued during the year pursuant to conversion of preference shares capital **(of ₹ 10 each)**	2,05,300	2.06
Restated balance as at 31 March 2023 (of ₹ 10 each)	**28,10,591**	**28.11**
Changes in Equity Shares Capital due to prior period errors	-	-
Changes in Equity Share Capital during the year ended 31 March 2024	-	-
Less: Bought back during the year **(of ₹ 10 each)**	(6,39,516)	(6.40)
Add: Issued during the year **(of ₹ 10 each)**	2,13,818	2.14
Restated balance as at 31 March 2024 (of ₹ 10 each)	**23,84,893**	**23.85**
Changes in Equity Shares Capital due to prior period errors	-	-
Changes in Equity Share Capital during the nine months ended 31 December 2024	-	-
Add: increase in number of issued shares pursuant to sub-division*	95,39,572	-
Add: Bonus shares issued **(of ₹ 2 each)**	5,96,22,325	119.24
As at 31 December 2024 (of ₹ 2 each)	**7,15,46,790**	**143.09**

** Pursuant to resolutions passed by the Board of Directors and the Shareholders in their respective meeting held on 8 October 2024 and 10 October 2024, the face value of the equity shares of the Company was sub divided from ₹10 each to ₹ 2 each.*

B. Instruments entirely equity in nature

Particulars	Preference shares of ₹ 100 each		Compulsorily Convertible Preference Shares of ₹ 10 each	
	No. of shares	Amount	No. of shares	Amount
As at 1 April 2021	2,00,000	20.00	-	-
Add: Issued during the year	-	-	-	-
As at 31 March 2022	**2,00,000**	**20.00**	**-**	**-**
Add: Conversion during the year	(2,00,000)	(20.00)	-	-
As at 31 March 2023	-	-	-	-
Add: Issued during the year	-	-	4,60,531	4.61
As at 31 March 2024	**-**	**-**	**4,60,531**	**4.61**
Add: Issued during the period	-	-	-	-
As at 31 December 2024	**-**	**-**	**4,60,531**	**4.61**

C. Other Equity

Particulars	Securities premium	General Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Total other equity
Opening Balance at 1 April 2021	**35.67**	**3.15**	**-**	**10.00**	**499.56**	**548.38**
Restated Profit during the year	-	-	-	-	86.75	86.75
Other Comprehensive Income	-	-	-	-	1.07	**1.07**
Transaction with owners (dividend paid)	-	-	-	-	(0.40)	**(0.40)**
Balance as at 31 March 2022	**35.67**	**3.15**	**-**	**10.00**	**586.98**	**635.80**

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(All amounts are in Rupees millions, unless otherwise stated)

Annexure IV - Restated Consolidated Statement of changes in Equity (Continued)

Particulars	Securities premium	General Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Total other equity
Restated Profit during the year	-	-	-	-	250.21	250.21
Other Comprehensive Income	-	-	-	-	0.04	**0.04**
Transaction with owners (dividend paid)	-	-	-	-	(0.40)	**(0.40)**
Conversion of preference shares into equity shares capital	17.95	-	-	-	-	**17.95**
Redemption of debenture	-	10.00	-	(10.00)	-	**-**
Balance as at 31 March 2023	**53.62**	**13.15**	**-**	**-**	**836.83**	**903.60**
Restated Profit during the year	-	-	-	-	492.80	**492.80**
Other Comprehensive Income	-	-	-	-	0.08	**0.08**
Redemption/ Bought back during the year	(53.62)	(9.99)	-	-	-	**(63.61)**
Issue during the year	983.73	-	-	-	-	**983.73**
Transfer to Capital Redemption Reserve	-	-	6.40	-	(6.40)	**-**
Share Issue Expenditure	(3.06)	-	-	-	-	**(3.06)**
Balance as at 31 March 2024	**980.67**	**3.16**	**6.40**	**-**	**1,323.31**	**2,313.54**
Restated Profit during the period	-	-	-	-	715.06	**715.06**
Other Comprehensive Income	-	-	-	-	0.01	**0.01**
Transfer to share capital on account of issue of Bonus Shares	(109.68)	(3.16)	(6.40)	-	-	**(119.24)**
Balance as at 31 December 2024	**870.99**	**-**	**-**	**-**	**2,038.38**	**2,909.37**

The above statement should be read in conjunction with notes in
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As per our examination report of even date attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S/S200018
Sd/-
Dhiraj Kumar Birla
Partner
Membership No: 131178
Date: February 6, 2025
Place: Mumbai

For and on behalf of the Board
Rite Water Solutions (India) Limited (formerly Rite Water Solutions (India) Private Limited)

Sd/-
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Managing Director
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Chief Financial Officer

Sd/-
Amit Vijay Ahuja
Company Secretary
Membership No: A58875

Date: February 6, 2025
Place: Nagpur

Date: February 6, 2025
Place Nagpur

Annexure V – Summary of Material accounting policies, key accounting estimates and judgements

1. Corporate information

The Restated Consolidated Financial Statements comprise the financial information of Rite Water Solutions (India) Limited (formerly known as Rite Water Solutions (India) Private Limited) ("**The Company**" or "**Rite Water**"), its subsidiary companies i.e., Clintech Equipment and Solutions Private Limited and Rite Water India Private Limited (upto 23 July 2024) and Rite Water Lake city LLP (a limited liability partnership under management control and hereinafter also referred as the subsidiary), collectively hereinafter referred to as (the "**Group**") as at and for the nine months period ended 31 December 2024 and as at and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022.

Rite Water is a Group domiciled in India. The Group's business consists of:

A. Providing portable water and water quality improvements solutions with focus on providing solutions for safe drinking water to habitations where water sources are chemically & biologically contaminated.

B. Providing a range of climate-based solutions that address various environmental challenges (including but not limited to solutions comprising of clean drinking water solutions, waste-water solutions, solar pumping solutions for irrigation water and IOT-based solutions for sectors such as water, energy, agriculture, etc.).

C. Providing rural development solutions (including solar cooling, digital technology solutions, etc.) to positively impact rural communities.

D. Manufacturing, marketing and turn-key implementation of all types of Solar energy systems.

Restated Consolidated Financial Statements have been prepared and presented in Indian Rupees (Rs.), unless otherwise stated and rounded off up to two decimals to Indian rupees (Rs./ ₹) in millions.

2.1 Material accounting policies

A. Basis of preparation and statement of compliance

The Restated Consolidated Financial Statements of the Group which comprise the Restated Consolidated Statement of Assets and Liabilities as at 31 December 2024, 31 March 2024, 31 March 2023 and 31 March 2022 (**Annexure-I**) and the Restated Consolidated Statement of Profit and Loss (including other comprehensive income) (**Annexure-II**), the Restated Consolidated Statement of Cash Flows (**Annexure-III**) and the Restated Consolidated Statement of Changes in Equity (**Annexure-IV**) for the nine months period ended 31 December 2024 and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, the summary of material accounting policies, and other explanatory information (**Annexure-V, (Annexure-VI and Annexure-VII**) (together referred to as '**Restated Consolidated Financial Statements**') has been prepared in accordance with the 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) and presentation requirements of Division II of Schedule III to the Act ("**Ind AS compliant Schedule III**"), as applicable to the Group.

The Restated Consolidated Financial Statements has been prepared by the management of the Group for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**"), Red Herring Prospectus ("**RHP**"), and Prospectus (together, the "**Offer Documents**") to be filed by the Company with the Securities and Exchange Board of India ('**SEBI'**), Registrar of Companies, Mumbai ("**ROC**"), BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**") and / or any other regulatory or statutory authority in connection with proposed Initial Public Offering of its Equity Shares ("**IPO**"), in accordance with the requirements of:

- Section 26(1) of Part I of Chapter III of the Act,

- Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "**SEBI ICDR Regulations**") issued by SEBI, and

- The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

The Restated Consolidated Financial Statements has been extracted by the Management from:

- Audited Special Purpose Consolidated Interim Financial Statements of the Group as at and for the nine months ended 31 December 2024 prepared in accordance with the recognition and measurement principles under Ind AS 34 "Interim Financial Reporting" as prescribed under Section 133 of the Act as amended and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, which have been approved by the Board of Directors at their meetings held on February 6, 2025.

- Audited consolidated financial statements of the Group as at and for the year ended 31 March 2024, prepared in accordance with the Ind 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 presentation requirements of Division II of Schedule III to the Companies Act, 2013, which have been approved by the Board of Directors at their meetings held on 24 September 2024.

- Audited special purpose consolidated Ind AS financial statements of the Group as at and for the years ended 31 March 2023 and 31 March 2022, prepared in accordance with the Ind 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 presentation requirements of Division II of Schedule III to the Companies Act, 2013, which have been approved by the Board of Directors at their meetings held on February 6, 2025. The Group's general purpose statutory financial statements up to and for the year ended 31 March 2023 and 31 March 2022 were prepared in accordance with the Companies (Accounting Standards) Rules, 2021, notified under Section 133 of the Act and other relevant provisions of the Act (Indian GAAP).

  Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, the Company voluntarily adopted March 31, 2024, as reporting date for first time adoption of Ind-AS – notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and consequently April 01, 2022, is the transition date for preparation of its statutory financial statements as at and for the year ended March 31, 2024. Hence, the financial statements as at and for the year ended March 31, 2024, were the first financials, prepared in accordance with Ind-AS. Upto the financial year ended March 31, 2023, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Companies (Accounting Standards) Rules, 2021 ("Indian GAAP" or "Previous GAAP") due to which the special purpose consolidated Ind AS financial statements are prepared. Further, these special purpose Ind AS financial statements are not the statutory financial statements under the Act.

  The special purpose consolidated financial statements as at and for the year ended March 31, 2023 and March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (1 April 2022) and as per the presentation, accounting policies and grouping/classifications including Revised Schedule III disclosures followed as at and for nine months period ended 31 December 2024.

  The special purpose consolidated interim financial statements and the special purpose consolidated Ind AS financial statements referred above have been prepared solely for the purpose of preparation of Restated Consolidated Financial Statements for inclusion in DRHP, RHP and Prospectus in relation to proposed IPO. Hence, these special purpose consolidated interim financial statements and the special purpose consolidated Ind AS financial statements are not suitable for any other purpose other than for the purpose of preparation of Restated Consolidated Financial Statements

The Restated Consolidated Financial Statements has been approved for issue in accordance with the resolution of the Board of Directors on February 6, 2025.

B. Summary of material accounting policies

The Restated Consolidated Financial Statements of the Group have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments, which have been measured at fair value. The accounting policies are consistently applied by the Group to all the period mentioned in the Restated Consolidated Financial Statements.

B.a. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle
(ii) Held primarily for the purpose of trading
(iii) Expected to be realised within twelve months after the reporting period, or
(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle
(ii) It is held primarily for the purpose of trading
(iii) It is due to be settled within twelve months after the reporting period, or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

B.b. *Basis of consolidation*

The Restated Consolidated Financial Statements comprise the financial information of the Company and its subsidiaries (including "entity under management control" and hereinafter referred as the subsidiary) as at and for the periods/years ended on 31 December 2024, 31 March 2024, 31 March 2023 and 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

The contractual arrangement with the other vote holders of the investee

- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings
- of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated

(All amounts are in Rupees millions, unless otherwise stated)

Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the Restated Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The Restated Consolidated Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group. When the end of the reporting period of the Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Company to enable the Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

1. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Group. For this purpose, income and expenses of the subsidiary and entity under management control are based on the amounts of the assets and liabilities recognised in the Restated Consolidated Financial Statements at the acquisition date.

2. Offset (eliminate) the carrying amount of the Company's investment in each subsidiary, entity under management control and the Company's portion of equity/partner contribution of each subsidiary and entity under management control.

3. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions

4. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any noncontrolling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the Company's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Details of Group companies/entities included in Restated Consolidated Financial Statements are as under:

S. No.	Name	Country	As at			
			31 December 2024	31 March 2024	31 March 2023	31 March 2022
1	Rite Water India Private Limited	India	- *	100%	100%	100%
2	Rite Water Lake City LLP (a Limited Liability Partnership and referred herein as a Subsidiary basis control as per Ind AS 110) – profit share	India	50%	50%	50%	50%
3	Clintech Equipments and Solutions Private Limited	India	100%	100%	100%	NA

** The Company has sold its equity interest in Rite Water India Private Limited w.e.f. 23 July 2024 to its promoters.*

B.c. Foreign currencies

The Group's financial statements are presented in Indian Rupees (Rs./ ₹), which is also its functional currency.

Transactions and balances

Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or 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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI [Other Comprehensive Income], or statement of profit or loss are also recognised in OCI or profit or loss, respectively).

B.d. Fair value measurement

The Group measures financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
(i) In the principal market for the asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
(ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
(iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities whether transfers have occurred between levels in the hierarchy by re-assessing that are recognised in the financial statements on a recurring basis, the Group determines categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management determines the policies and procedures for both recurring fair value measurement as well as for non-recurring measurement.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

B.e. Revenue from contract with customer

Group earns revenue from sale of goods (including under work contracts), sale of water, operation and maintenance contract (including comprehensive maintenance contracts) and sale of goods manufactured / assembled. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation and recognized as follows:

- Revenue from contracts with customers for sale of goods (including under works contract and sale of water) is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods as per the contract. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer. Revenue from Water sales is recognized on the basis of monthly collection report send by the various site in charge.

- Revenue from contracts with customers under operations and maintenance contracts is recognised over the time as control of maintenance services are transferred to the customer at an amount that reflects the consideration agreed upfront.

- Any modifications to these contracts are assessed to determine whether they represent a separate performance obligation or a change to the existing obligation. Adjustments to revenue are made prospectively.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 2.2.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts provide customers with a right of return the goods within a specified period.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Group performs its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer)

B.f. Other income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

B.g. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and Services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and Services tax paid, except:

(i) When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
(ii) When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

B.h. Property, plant and equipment (including Capital work in progress)

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. It comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of schedule II of the Companies Act 2013.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The residual values are not more than 5% of the original cost of the item of Property, Plant and Equipment. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

B.i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

B.j. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

B.k. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in, first out method.

(ii) Work in progress and Finished goods: cost includes cost of direct materials and labour, and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

B.l. Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on future cash flows after considering economic condition and estimated future operating results which are prepared separately for each of the Group's CGU.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

B.m. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) because of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

B.n. Retirement and other employee benefits

Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

Post-Employment Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Group operates a defined benefit gratuity plan in India, which is currently unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the liability ceiling, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
(ii) Net interest expense

B.o. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
(i) Financial assets at amortised cost (debt instruments)
(ii) Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
(iii) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
(iv) Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:
(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Group's financial assets at amortised cost includes trade receivables and other receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes mutual fund investments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:
(i) The rights to receive cash flows from the asset have expired, or
(ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit loss is recognised. Loss allowance of equal to the lifetime expected credit losses is recognised if the credit risk of the financial asset has significantly increased since initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, a Group is required to consider:

(i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Group is required to use the remaining contractual term of the financial instrument
(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of profit and loss. This amount is reflected in a separate line in the Statement of profit and loss as an impairment gain or loss. The balance sheet presentation is described below:

Financial assets measured as at amortized cost and contractual revenue receivables. ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credits / bank overdrafts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.
This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

B.p. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the statement of cash flows, cash and cash equivalents consist of cash, balance with bank in current accounts and balance with banks in short-term deposits accounts, as defined above are considered an integral part of the Group's cash management.

***B.q.* Segment Reporting**

Operating segments are identified and reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company have been identified as the chief operating decision maker of the Group.

***B.r.* Contingent liability**

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

B.s. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of Company by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

B.t. **Statement of cash flows**

Cash flows from operating activities are reported using the indirect method set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

For the purposes of Restated Consolidated Statement of Cash Flows, cash and cash equivalents comprise the total cash and cash equivalents as disclosed in note 10 adjusted for Bank overdraft repayable on demand.

B.u. **Exceptional items**

The Group considers exceptional items to be those which derive from events or transactions which are significant for separate disclosure by virtue of their size or incidence for the user to obtain a proper understanding of the Group's financial performance. These items include, but are not limited to, impairment charges, restructuring costs and profits and losses on disposal of subsidiaries, contingent consideration and other one-off items which meet this definition. To provide a better understanding of the underlying results of the period, exceptional items are reported separately in the Restated Consolidated Statement of Profit and Loss.

B.v. **Events occurring after the balance sheet date**

Based on the nature of the event, the group identifies the events occurring between the balance sheet date and the date on which the consolidated financial statements are approved as ‘Adjusting Event’ and ‘Non-adjusting event’. Adjustments to assets, liabilities, expenditure and income, equity and/or disclosures are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date or because of statutory requirements or because of their special nature. For non-adjusting events, the group may provide a disclosure in the restated consolidated financial statements considering the nature of the transaction.

B.w. Share issue expenditure

Share issue expenditure is charged to securities premium account on completion of respective transactions.

B.x. 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. For the nine months ended 31 December 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group or may have material impact on the reported amounts.

2.2 Material accounting policy information

Use of significant judgements, estimates and assumptions

The preparation of the Group’s financial statements as per Ind AS requires management to make judgements, 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 periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital **management**
- Financial risk management objectives and **policies**
- Sensitivity analyses disclosures

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year/period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected. Key source of estimation uncertainty as at the date of Restated Consolidated Financial Statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of the following:

Revenue from contract with customer – recoverability of consideration

The Group uses judgement to determine when control of its goods, passes to the customer and there is no risk of its collectability. This is assessed with reference to indicators of control, including the risks and rewards of ownership and legal title with reference to the underlying terms of the customer contract.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis.

Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed flow rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed flow rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair value of financial assets and liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using net asset value published by fund house and valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets if available, otherwise, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instrument.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates applicable to existing borrowings).

(All amounts are in Rupees millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements

Note 3A: Property, Plant and Equipment

Particulars	Land	Factory shed	Plant and Machinery	Computer & Printer	Office Equipment	Furniture & Fixtures	Vehicle	Total
Gross carrying value								
Carrying value as at 1 April 2021	**1.05**	**10.87**	**8.52**	**0.52**	**1.45**	**0.44**	**3.25**	**26.10**
Additions during FY22	-	-	1.05	0.76	0.27	0.58	-	**2.66**
Disposals / adjustments during FY22	-	-	(0.01)	(0.33)	(0.02)	-	(0.02)	**(0.38)**
Closing gross carrying value as at 31 March 2022	**1.05**	**10.87**	**9.56**	**0.95**	**1.70**	**1.02**	**3.23**	**28.38**
Additions during FY23	-	-	0.76	1.24	0.64	0.17	10.08	**12.89**
Disposals / adjustments during FY23	-	-	-	-	-	(0.18)	-	**(0.18)**
Closing gross carrying value as at 31 March 2023	**1.05**	**10.87**	**10.32**	**2.19**	**2.34**	**1.01**	**13.31**	**41.09**
Additions during FY24	-	-	0.29	2.22	0.42	0.39	0.50	**3.82**
Disposals / adjustments during FY24	-	-	-	-	-	-	-	**-**
Closing gross carrying value as at 31 March 2024	**1.05**	**10.87**	**10.61**	**4.41**	**2.76**	**1.40**	**13.81**	**44.91**
Additions during nine months ended 31 December 2024	-	-	0.91	1.35	4.02	4.26	0.78	11.32
Disposals / adjustments during nine months ended 31 December 2024	-	-	-	-	-	-	-	**-**
Closing gross carrying value as at 31 December 2024	**1.05**	**10.87**	**11.52**	**5.76**	**6.78**	**5.66**	**14.59**	**56.23**
Accumulated depreciation								
Accumulated Depreciation as at 1 April 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge of the year FY22	-	0.31	0.51	0.39	0.36	0.07	0.68	**2.32**
Disposals / adjustments during FY22	-	-	(0.01)	(0.32)	(0.01)	-	(0.01)	**(0.35)**
Closing accumulated depreciation as at 31 March 2022	**-**	**0.31**	**0.50**	**0.07**	**0.35**	**0.07**	**0.67**	**1.97**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Particulars	Land	Factory shed	Plant and Machinery	Computer & Printer	Office Equipment	Furniture & Fixtures	Vehicle	Total
Depreciation charge of the year FY23	-	0.42	1.05	0.72	0.65	0.44	1.05	**4.33**
Disposals / adjustments during FY23	-	-	-	-	-	-	-	**-**
Closing accumulated depreciation as at 31 March 2023	**-**	**0.73**	**1.55**	**0.79**	**1.00**	**0.51**	**1.72**	**6.30**
Depreciation charge of the year FY24	-	7.05	0.70	0.92	0.51	0.10	1.89	**11.17**
Disposals / adjustments during FY24	-	-	-	-	-	-	-	**-**
Closing accumulated depreciation as at 31 March 2024	**-**	**7.78**	**2.25**	**1.71**	**1.51**	**0.61**	**3.61**	**17.47**
Depreciation charge for nine months ended 31 December 2024	-	1.47	4.29	1.29	1.54	0.39	1.34	10.32
On Disposals / adjustments during nine months ended 31 December 2024	-	-	-	-	-	-	-	**-**
Closing accumulated depreciation as at 31 December 2024	**-**	**9.25**	**6.54**	**3.00**	**3.05**	**1.00**	**4.95**	**27.79**
Net carrying value as at								
As at 31 March 2022	**1.05**	**10.56**	**9.06**	**0.88**	**1.35**	**0.95**	**2.56**	**26.41**
As at 31 March 2023	**1.05**	**10.14**	**8.77**	**1.40**	**1.34**	**0.50**	**11.59**	**34.79**
As at 31 March 2024	**1.05**	**3.09**	**8.36**	**2.70**	**1.25**	**0.79**	**10.20**	**27.44**
As at 31 December 2024	**1.05**	**1.62**	**4.98**	**2.76**	**3.73**	**4.66**	**9.64**	**28.44**

Notes:

1. The Group has elected to continue with the carrying value of property, plant and equipment's as recognised in financial statements as per Indian GAAP and regard those value as deemed costs on the date of transition to IndAS.
2. The title deeds of the immovable properties (other than immovable properties where the Holding Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the Restated Ind AS consolidated financial statements are held in its earlier name i.e. 'Nagpur Aquatech Private Limited'.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 3B: Right of use assets

Group as Lessee

The Group has lease contracts for Office buildings and godowns. Leases of office building and godowns generally have lease terms between 11 months and 5 years. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for certain leases. Details for other leases is as follows:

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Building	Total
Gross carrying value		
Carrying value as at 1 April 2021	0.79	0.79
Additions during FY22	6.34	6.34
Closing gross carrying value as at 31 March 2022	**7.13**	**7.13**
Additions during FY23	2.87	2.87
Closing gross carrying value as at 31 March 2023	**10.00**	**10.00**
Additions during FY24	13.02	13.02
Closing gross carrying value as at 31 March 2024	**23.02**	**23.02**
Additions during nine months ended 31 December 2024	54.77	54.77
Closing gross carrying value as at 31 December 2024	**77.79**	**77.79**
Accumulated depreciation		
Accumulated Depreciation as at 1 April 2021	-	-
Depreciation charge of the year FY22	1.21	1.21
Closing accumulated depreciation as at 31 March 2022	**1.21**	**1.21**
Depreciation charge of the year FY23	2.98	2.98
Closing accumulated depreciation as at 31 March 2023	**4.19**	**4.19**
Depreciation charge of the year FY24	5.61	5.61
Closing accumulated depreciation as at 31 March 2024	**9.80**	**9.80**
Depreciation charge for nine months ended 31 December 2024	13.14	13.14
Closing accumulated depreciation as at 31 December 2024	22.94	22.94
Net carrying value as at		
As at 31 March 2022	**5.92**	**5.92**
As at 31 March 2023	**5.81**	**5.81**
As at 31 March 2024	**13.22**	**13.22**
As at 31 December 2024	**54.85**	**54.85**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Lease Liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	**As at 31 December 2024**	**As at 31 March 2024**	**As At 31 March 2023**	**As At 31 March 2022**
Opening for the period / year	14.14	6.08	5.99	0.80
Additions	51.25	13.02	2.87	6.34
Accretion of interest	4.00	1.09	0.60	0.17
Less Payments	(14.53)	(6.05)	(3.38)	(1.32)
As at March 31	**54.86**	**14.14**	**6.08**	**5.99**
Current	11.05	5.12	3.12	2.09
Non- current	43.81	9.02	2.96	3.90

The following are the amounts recognised in profit or loss:

Particulars	**For the nine months ended 31 December 2024**	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Depreciation expense of right-of-use assets	13.14	5.61	2.98	1.21
Interest expense on lease liabilities	4.00	1.19	0.60	0.17
Expense relating to short-term leases	8.60	7.93	6.45	4.83
Total amount recognised in profit or loss	**25.74**	**14.73**	**10.03**	**6.21**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 3C: Intangible assets

Particulars	Software	Total
Gross carrying value		
Carrying value as at 1 April 2021	0.01	**0.01**
Additions during FY22	0.24	**0.24**
Closing gross carrying value as at 31 March 2022	**0.25**	**0.25**
Additions during FY23	0.06	**0.06**
Closing gross carrying value as at 31 March 2023	**0.31**	**0.31**
Additions during FY24	-	**-**
Closing gross carrying value as at 31 March 2024	**0.31**	**0.31**
Additions during nine months ended 31 December 2024	-	-
Closing gross carrying value as at 31 December 2024	**0.31**	**0.31**

Particulars	Software	Total
Accumulated Amortisation		
Accumulated Amortisation as at April 1, 2022	-	**-**
Amortisation charge of the year FY22	0.11	**0.11**
Closing accumulated depreciation as at 31 March 2022	**0.11**	**0.11**
Amortisation charge of the year FY23	0.12	**0.12**
Closing accumulated amortisation as at 31 March 2023	**0.23**	**0.23**
Amortisation charge of the year FY24	0.01	**0.01**
Closing accumulated amortisation as at 31 March 2024	**0.24**	**0.24**
Amortisation charge for nine months ended 31 December 2024	**0.07**	**0.07**
Closing accumulated amortisation as at 31 December 2024	**0.31**	**0.31**
Net carrying value as at		
As at 31 March 2022	**0.14**	**0.14**
As at 31 March 2023	**0.08**	**0.08**
As at 31 March 2024	**0.07**	**0.07**
As at 31 December 2024	**-**	**-**

Note: The Group has elected to continue with the carrying value of intangibles as recognised in financial statements as per Indian GAAP and regard those value as deemed costs on the date of transition.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 4: Other financial assets

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
A. Non-Current				
Unsecured, Considered Good				
Margin Money Deposit (Including interest accrued capitalised)	349.76	19.25	11.49	8.83
Less: Impairment allowance	(0.85)	-	-	-
Security Deposits	116.11	122.86	119.63	107.02
Less: Impairment allowance	(0.58)	(0.58)	(0.02)	(0.02)
Lease Deposits	7.27	0.86	0.25	0.22
Less: Impairment allowance	(0.22)	-	-	-
Other Deposits	0.92	0.78	4.84	0.32
Total other non-current financial assets	**472.41**	**143.17**	**136.19**	**116.37**
B. Current				
Unsecured, Considered Good				
Margin Money Deposit (Including interest accrued capitalised)	56.74	268.11	62.00	52.26
Less: Impairment allowance	(0.11)	-	-	-
Security Deposits	103.09	104.64	27.62	21.28
Lease Deposits	1.54	0.65	0.48	0.17
Less: Impairment allowance	(0.07)	-	-	-
Other receivables	0.02	0.02	0.06	0.06
Contract assets	1,120.75	641.68	344.36	133.38
Less: Impairment allowance	(82.50)	(31.75)	(31.75)	(31.74)
Total other current financial assets	**1,199.46**	**983.35**	**402.77**	**175.41**
Total Other financial assets	**1,671.87**	**1,126.52**	**538.96**	**291.78**

Note:

1. No loans are due from directors or other officers of the Group, either severally or jointly with any other person. Further no loans are due from firms or private companies, respectively in which any director is a partner, a director or a member other than as disclosed in Note 28.
2. Security deposits for performance of customer contracts are given in the form of Security Deposits / Earnest Money Deposits for performance contracts.
3. Margin money deposit include deposit under lien with bank for issue of bank guarantee or deposit placed with customer as security.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 5: Income Taxes

The major components of income tax expense are:

Statement of profit and loss:

(i) Profit and loss section:

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Current income tax:				
Current income tax charge	272.82	165.89	62.29	29.40
Deferred tax:				
Relating to origination and reversal of temporary differences	(19.52)	47.76	47.84	(31.08)
Tax expense reported in the statement of profit and loss	**253.30**	**213.65**	**110.13**	**(1.68)**

(ii) Deferred tax related to items recognised in other comprehensive income:

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Net loss/(gain) on remeasurements of defined benefit plans	-	0.04	0.02	0.44
Income tax charged to OCI	**-**	**0.04**	**0.02**	**0.44**

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate:

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Accounting profit before tax	968.36	706.45	360.34	85.07
Tax as per India's statutory income tax rate	25.17%*	29.12%	29.12%	29.12%
Tax Amount	243.72	205.72	104.93	24.77
Effect of non-deductible expenses for tax purposes	1.24	2.92	1.08	(1.00)
Exempt income / deduction from total income**	-	-	-	(32.66)
Effect of tax rate change	6.40	-	-	-
Others	1.94	5.01	4.12	7.21
Income tax expense reported in the Statement of profit and loss	**253.30**	**213.65**	**110.13**	**(1.68)**

* U/s 115BAA, necessary form will be filed before due dates
** Company has opted exemption u/s 80IA

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Deferred tax

Deferred tax relates to the following:
Balance sheet

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
- Property, plant and equipment: Impact of difference between tax depreciation and depreciation / amortisation charged	1.84	0.18	0.14	(0.04)
- Financial assets / liabilities at fair value through profit or loss	0.45	0.71	0.67	11.08
- Gratuity	0.89	0.90	0.73	0.57
- Expected credit loss on financial assets	62.67	45.12	38.73	33.59
- Leases	0.83	0.25	0.09	0.02
- Minimum Alternate Tax Credit	-	-	54.60	97.60
Deferred tax assets/(liabilities), net	**66.68**	**47.16**	**94.96**	**142.82**

Statement of profit and loss

Particulars	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For teh year 31 March 2022
- Property, plant and equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged	(1.66)	(0.04)	(0.18)	(0.08)
- Financial assets at fair value through profit or loss	0.26	(0.04)	10.41	2.21
- Gratuity	0.01	(0.17)	(0.16)	0.22
- Expected credit loss on financial assets	(17.55)	(6.39)	(5.14)	(17.49)
- Leases	(0.58)	(0.16)	(0.07)	(0.01)
- Minimum Alternate Tax Credit Utilised	-	54.60	43.00	(15.49)
Deferred tax (expense) / income	**(19.52)**	**47.80**	**47.86**	**(30.64)**

Reconciliation of deferred tax (liabilities)/Assets (net):

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Opening balance as of April 1	47.16	94.96	142.82	112.18
- Tax income/(expense) during the period recognised in profit or loss	19.52	(47.76)	(47.84)	31.08
- Tax income/(expense) during the period recognised in OCI	-	(0.04)	(0.02)	(0.44)
Closing balance	**66.68**	**47.16**	**94.96**	**142.82**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 6: Other assets

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
A. Non-Current				
Unsecured, Considered Good				
Prepaid security deposit	24.83	33.36	30.15	35.29
Total Other Non-Current Assets	**24.83**	**33.36**	**30.15**	**35.29**
B. Current				
Unsecured, Considered Good				
Balances with government authorities				
GST Receivable	28.75	-	12.27	29.34
Prepaid expenses (Refer note (i) below)	57.12	3.94	0.49	0.20
Prepaid security deposit	17.97	15.78	11.54	10.89
Advances to suppliers	114.60	73.95	3.55	11.59
Advances to staff	1.14	0.37	0.10	0.10
Advance against expenses	4.35	1.50	0.98	3.78
Total Other Current Assets	**223.93**	**95.54**	**28.93**	**55.90**
Total Other assets	**248.76**	**128.90**	**59.08**	**91.19**

Note (i) – Includes amount of ₹ 53.38 millions paid/incurred towards proposed IPO.

Note 7: Inventories

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
(Valued at Lower of Cost or Net Realisable Value)				
Raw Materials (refer note (i) below)	623.80	175.25	58.26	30.93
Finished Goods	-	-	7.70	-
Goods in Transit	-	30.90	-	-
Total Inventories	**623.80**	**206.15**	**65.96**	**30.93**

(i) include inventory with third parties of ₹ 41.66 million as on 31 December 2024 (Previous periods: NIL)

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 8: Investments

Particulars	Face value	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Unquoted					
Investments carried at fair value through profit or loss					
Investment in mutual fund (fully paid-up):					
Aditya Birla Sunlife Liquid Fund	NA				
Number of units		-	2,22,755.98		
Amount		-	85.91	-	-
Axis Mutual Liquid Fund	NA				
Number of units		-	30,356.72		
Amount		-	80.88	-	-
Kotak Liquid Fund	NA				
Number of units		-	1,135.86		
Amount		-	5.50	-	-
Nippon India Liquid Fund	NA				
Number of units		-	13,838.01		
Amount		-	80.86	-	-
Edelweiss Arbitrage Fund					
Number of units		13,99,980.40			
Amount		26.25	-	-	-
Kotak Equity Arbitrage Fund	NA				
Number of units		7,25,343.61			
Amount		26.29	-	-	-
Total Investments		**52.54**	**253.15**	**-**	**-**

Note:

Aggregate carrying value of unquoted investments	52.54	253.15	-	-
Aggregate and Fair value of quoted investment	-	-	-	-
Aggregate value of impairment of Investment	-	-	-	-

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 9: Trade receivables

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Trade receivables	1,522.64	381.40	245.22	351.82
Less: Impairment allowance	(165.00)	(94.07)	(72.82)	(56.40)
Total Trade Receivables	**1,357.64**	**287.33**	**172.40**	**295.42**

Break-up of security details

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Secured, considered good	-	-	-	-
Unsecured, considered good	1,357.64	287.33	172.40	295.42
Trade Receivables- credit impaired	165.00	94.07	72.82	56.40
	1,522.64	**381.40**	**245.22**	**351.82**
Impairment Allowance – Expected credit loss				
Trade Receivables- credit impaired	(165.00)	(94.07)	(72.82)	(56.40)
Total Trade Receivables	**1,357.64**	**287.33**	**172.40**	**295.42**

<u>Ageing of Trade Receivables:</u>

31 December 2024

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade receivables – considered good	1,211.29	74.91	71.39	0.05	-	1,357.64
ii) Undisputed Trade Receivables which are having significant credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	67.53	13.39	34.60	2.69	46.79	165.00
iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
v) Disputed Trade Receivables which are having significant credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total Trade Receivables	**1,278.82**	**88.30**	**105.99**	**2.74**	**46.79**	**1,522.64**
<u>Weighted Average excepted credit loss rate on undisputed trade receivable</u>						**10.84%**

31 March 2024

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade receivables – considered good	267.09	3.12	17.12	-	-	287.33
ii) Undisputed Trade Receivables which are having significant credit risk						-
iii) Undisputed Trade Receivables - credit impaired	-	-	32.11	47.62	14.34	94.07
iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
v) Disputed Trade Receivables which are having significant credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total Trade Receivables	**267.09**	**3.12**	**49.23**	**47.62**	**14.34**	**381.40**
Weighted Average excepted credit loss rate on undisputed trade receivable						**24.66%**

31 March 2023

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade receivables – considered good	136.54	7.78	28.08	-	-	172.40
ii) Undisputed Trade Receivables which are having significant credit risk						-
iii) Undisputed Trade Receivables - credit impaired	-	-	53.49	14.96	4.37	72.82
iv) Disputed Trade Receivables considered good						-
v) Disputed Trade Receivables which are having significant credit risk						-
vi) Disputed Trade Receivables - credit impaired						-
Total Trade Receivables	**136.54**	**7.78**	**81.57**	**14.96**	**4.37**	**245.22**
Weighted Average excepted credit loss rate on undisputed trade receivable						**29.70%**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

31 March 2022

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade receivables – considered good	193.68	87.87	13.87	-	-	295.42
ii) Undisputed Trade Receivables which are having significant credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - credit impaired	-	-	26.37	17.82	12.21	56.40
iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
v) Disputed Trade Receivables which are having significant credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total Trade Receivables	**193.68**	**87.87**	**40.24**	**17.82**	**12.21**	**351.82**
Weighted Average excepted credit loss rate on undisputed trade receivable						**16.03%**

Notes:
No Trade receivable is due from directors or other officers of the Group, either severally or jointly with any other person. Further no loans are due from firms or private companies, respectively in which any director is a partner, a director or a member other than as disclosed in Note 28.

Note 10A: Cash and Cash Equivalents

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents				
Balances with banks				
- in current accounts	15.52	8.14	0.70	1.48
- in cash credit accounts	4.45	60.14	274.68	11.01
Bank deposits with original maturity of less than 3 months	-	450.98	-	50.00
Cash in hand	1.25	0.71	0.55	0.22
Total Cash and Cash Equivalents	**21.22**	**519.97**	**275.93**	**62.71**

Note 10B: Other Bank balances

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Deposits with Banks (including interest accrued)	502.73	629.94	86.85	124.67
Less: Deposits held as margin money transferred to other financial asset (including interest accrued)	(406.50)	(287.36)	(73.49)	(61.09)
Less: Impairment allowance (ECL)	(0.23)	-	-	-
Total Other Bank balances	**96.00**	**342.58**	**13.36**	**63.58**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 11: Equity share capital

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Authorised share capital				
Equity Share Capital (Face Value of ₹ 2 each) (Face Value of ₹ 10 each for the year ended 31 March 2024, 31 March 2023 and 31 March 2022) (Refer footnote (i) below)				
Number of Shares	10,00,00,000	29,00,000	29,00,000	27,00,000
Amount	200.00	29.00	29.00	27.00
Preference Share Capital (Face Value of ₹100 each)				
Number of Shares	-	-	-	2,00,000
Amount	-	-	-	20.00
Preference Share Capital (Face Value of ₹ 10 each)				
Number of Shares	20,00,000	20,00,000	-	-
Amount	20.00	20.00	-	-
	220.00	**49.00**	**29.00**	**47.00**
Issued, Subscribed and fully paid capital				
Equity shares capital (face value ₹ 2 each) (Face Value of ₹ 10 each for the year ended 31 March 2024, 31 March 2023 and 31 March 2022) (Refer footnote (ii) & (iii) below)				
Number of Shares	7,15,46,790	23,84,893	28,10,591	26,05,291
Amount	143.09	23.85	28.11	26.05
2% Preference shares (PS) of ₹ 100 each				
Number of Shares	-	-	-	2,00,000
Amount	-	-	-	20.00
0.1% Compulsorily Convertible Preference shares (CCPS) of ₹ 10 each				
Number of Shares	4,60,531	4,60,531	-	-
Amount	4.61	4.61	-	-
	147.70	**28.46**	**28.11**	**46.05**

Foot notes

i) *The members of the Company on 10 October 2024 have approved increase in authorised share capital to 10,00,00,000 Equity Shares of ₹ 2 each and 20,00,000 preference shares of ₹ 10 each, totalling to ₹ 220 Mn.*

ii) *Pursuant to resolutions passed by the Board of Directors and the Shareholders in their respective meetings held on 8 October 2024 and 10 October 2024, the face value of the equity shares of the Company was sub divided from ₹10 each to ₹ 2 each.*

iii) *Further pursuant to approval by the board and shareholders in their meeting held on 8 October 2024 and 10 October 2024, company made bonus allotment in ratio of five equity shares of ₹ 2 each fully paid for each existing shares of ₹ 2 each fully paid up.*

(a) ***Reconciliation of opening and closing number of***

- equity shares

Particulars	Number of Shares at the beginning of the year/period	Add: Issued during the year/period	Less: Redeemed / bought back during the year/period	Number of Shares at the Closing of the year / period
As at 31 March 2022				
Number of Shares	26,05,291	-	-	**26,05,291**
Amount	26.05	-	-	**26.05**
As at 31 March 2023				
Number of Shares	26,05,291	2,05,300	-	**28,10,591**
Amount	26.05	2.06	-	**28.11**
As at 31 March 2024				
Number of Shares	28,10,591	2,13,818	(6,39,516)	**23,84,893**
Amount	28.11	2.14	(6.40)	**23.85**
As at 31 December 2024				
Number of Shares	1,19,24,465*	5,96,22,325	-	**7,15,46,790**
Amount	23.85	119.24	-	**143.09**

** Adjusted for sub-division in the face value of the equity shares of the Company from ₹10 each to ₹ 2 each, pursuant to resolutions passed by the Board of Directors and the Shareholders in their respective meeting held on 8 October 2024 and 10 October 2024.*

- preference shares capital

Particulars	Number of Shares at the beginning of the year/period	Add: Issued during the year / period	Less: Redeemed / converted during the year / period	Number of Shares at the Closing of the year/period
As at 31 March 2022				
Number of Shares	2,00,000	-	-	**2,00,000**
Amount	20.00	-	-	**20.00**
As at 31 March 2023				
Number of Shares	2,00,000	-	(2,00,000)	**-**
Amount	20.00	-	(20.00)	**-**
As at 31 March 2024				
Number of Shares	-	4,60,531	-	**4,60,531**
Amount	-	4.61	-	**4.61**
As at 31 December 2024				
Number of Shares	4,60,531	-	-	**4,60,531**
Amount	4.61	-	-	**4.61**

(b) ***Terms/ rights attached to shareholders***

-to equity shares

- The Group has one class of equity shares having a par value of ₹ 2 each per share.

- Each shareholder is eligible for one vote per share held. Each shareholder is entitled for dividend declared/ proposed if any, by the Board of Directors which is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

- to preference shares

0.1% Compulsorily Convertible Preference shares of ₹ 10 each (CCPS)

- As on 31 December 2024, the Group has one class of 0.1% CCPS having a par value of ₹ 10.00 per share.

- CCPS shall compulsorily convert: (a) after expiry of 3 (three) years from [7th November 2023]; or (b) prior to listing of the Equity Shares on any stock exchange, whichever is earlier. Preference shares are convertible maximum at 30 equity share of ₹ 2.00 each for each preference share held, to be adjusted for any corporate action, anti-dilution and promoter upside upto the date of conversion.

- The holders of 0.1% CCPS shall be entitled to attend meetings of all shareholders of the Company and entitled to vote as-if converted basis.

- CCPS holders carry a cumulative dividend rate of 0.1% per annum on an as-if converted basis. Additionally, if the holders of equity shares are paid dividend in excess of 0.1% per annum, the holders of the CCPS shall be entitled to dividend at such higher rate.

2% Preference shares of ₹ 100 each (PS)

- As on 31 March 2022, the Group had 2% PS having a par value of ₹ 100.00 per share and were converted into 205,300 equity shares as on 31 March 2023 as per revised terms agreed between the parties. PS were compulsorily convertible after 31 December 2021 (extended from time to time). The holders of 2% PS were entitled to attend meetings of all shareholders of the Company and entitled to vote as-if converted basis.

- PS holders carried a cumulative dividend rate of 2% per annum on an as-if converted basis. Additionally, if the holders of equity shares are paid dividend in excess of 2% per annum, the holders of the PS were entitled to dividend at such higher rate.

(c) ***Equity shares held by ultimate holding/ holding company and/ or their subsidiaries***

There are no shares held by any other holding, ultimate holding company and their subsidiaries/

(d) ***Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Group***

In Equity Share Capital

Name of the shareholder	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Mr. Vinayak Shankarrao Gan				
% holding	48.85%	48.86%	41.44%	44.71%
No. of shares	3,49,51,200*	11,65,040	11,65,000	11,65,000
Mr. Abhijeet Vinayak Gan				
% holding	31.28%	31.28%	26.54%	28.63%
No. of shares	2,23,81,050*	7,46,035	7,46,035	7,46,035
SIDBI Trustee Company Limited				
% holding	-	-	22.75%	16.66%
No. of shares	-	-	6,39,516	4,34,216
Mr. Omkar Vishwas Pathak				
% holding	7.34%	-	-	-
No. of shares	52,50,000	-	-	-
Mr. Vishwas Pathak				
% holding	3.56%	10.90%	9.25%	9.97%
No. of shares	25,50,000*	2,60,000	2,60,000	2,60,000

** Adjusted for sub-division in the face value of the equity shares of the Company from ₹10 each to ₹ 2 each, pursuant to resolutions passed by the Board of Directors and the Shareholders in their respective meeting held on 8 October 2024 and 10 October 2024.*

In Preference Share Capital

Promoters name	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
SIDBI Trustee Company Limited				
No. of Shares	-	-	-	2,00,000
% of total shares	-	-	-	100%
Water Access Acceleration Fund SLP				
No. of Shares	4,60,531	4,60,531	-	-
% of total shares	100.00%	100.00%	-	-

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

(e) ***Shareholding of Promoters***

As at 31 December 2024

Promoters name	No. of Shares	% of total shares	% Change during the period
Mr. Vinayak Shankarrao Gan	3,49,51,200*	48.86%	0.00%
Mr. Abhijeet Vinayak Gan	2,23,81,050*	31.28%	0.00%
TOTAL	**5,73,32,250***	**80.14%**	

** Adjusted for sub-division in the face value of the equity shares of the Company from ₹10 each to ₹ 2 each, pursuant to resolutions passed by the Board of Directors and the Shareholders in their respective meeting held on 8 October 2024 and 10 October 2024.*

As at 31 March 2024

Promoters name	No. of Shares	% of total shares	% Change during the year
Mr. Vinayak Shankarrao Gan	11,65,040	48.86%	7.42%
Mr. Abhijeet Vinayak Gan	7,46,035	31.28%	4.74%
TOTAL	**19,11,075**	**80.14%**	

As at 31 March 2023

Promoters name	No. of Shares	% of total shares	% Change during the year
Mr. Vinayak Shankarrao Gan	11,65,000	41.44%	-3.27%
Mr. Abhijeet Vinayak Gan	7,46,035	26.54%	-2.09%
TOTAL	**19,11,035**		

As at 31 March 2022

Promoters name	No. of Shares	% of total shares	% Change during the year
Mr. Vinayak Shankarrao Gan	11,65,000	44.71%	-
Mr. Abhijeet Vinayak Gan	7,46,035	28.64%	-
TOTAL	**19,11,035**	**73.35%**	

(f) For the period of five years immediately preceding the date as at which balance sheet is prepared:

- Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment received by cash (Other than bonus issue):
  - NIL.
- Aggregate number and class of shares allotted as fully paid by way of bonus shares:
  - 5,96,22,325 equity shares of Rs. 2 each issued as a bonus pursuant to resolutions passed by the Board of Directors and the Shareholders in their respective meeting held on 8 October 2024 and 10 October 2024.

(g) The Board of Directors at its meeting held on March 31, 2023 approved a proposal to buy-back up to 639,516 equity shares (face value ₹ 10 each) of the Company, for an aggregate amount not exceeding ₹ 70.00 Mn, being 7.78% of the aggregate of the fully paid-up equity share capital and free reserves at ₹ 109.46 per equity share of ₹ 10 each.

A Letter of offer was made to the eligible equity shareholder, including SIDBI Venture Capital Limited – A/c Samridhi Fund and the said shareholder tendered its shares for buy-back. The Company bought back entire 639,516 equity shares offered and extinguished the said equity shares on April 06, 2023.

Capital redemption reserve was created to the extent of share capital extinguished ₹ 6.40 Mn and the excess cost of buy-back of ₹ 63.61 Mn over par value of shares were offset from securities premium, general reserves and retained earnings. The corresponding tax on buy-back of ₹ 2.33 Mn is adjusted with Securities Premium Account. (refer note 38).

(h) During the financial year 2022-23, in accordance with the Memorandum of Association, Articles of Association, and Shareholder's agreement dated March 14, 2014, executed among SIDBI Trustee Company Limited, the Company, Abhijeet Vinayak Gan, Vinayak Shankarrao Gan and Vaishali Gan all preference shares were converted into Equity shares of ₹ 10 each at a ratio of 1: 1.0265. The same was approved via board resolution dated March 31, 2023.

(i) Proposed final dividends, if any, are subject to approval at the annual general meeting are not recognised as a liability as at 31 March. The Board of Directors have not proposed any final or interim dividend during the year ended 31 March 2024, 31 March 2023 and 31 March 2022 and for the period ended on 31 December 2024, except, the Company has approved and paid the preference dividend as follows:

Year ended	**Amount ₹ in million**	**FY**
31 March 2022	0.40	2021-22
31 March 2023	0.40	2022-23
31 March 2024	-	NA
Nine months ended		
31 December 2024	0.00*	2023-24

(* amount below ₹ 5,000)

Note 12: Other Equity

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Securities Premium				
Balance at the beginning of the year/period	980.67	53.62	35.67	35.67
Less: Redemption / bought Back during the year/period	-	(53.62)	-	-
Add: Conversion of preference shares into equity shares capital	-	-	17.95	-
Add: Issue of Share Capital		983.73		
Less: Issue of Bonus shares	(109.68)	-	-	-
Less: Share issue expenditure	-	(3.06)	-	-
Balance at the end of the year/period	**870.99**	**980.67**	**53.62**	**35.67**
Capital Redemption Reserve				
Balance at the beginning of the year/period	6.40	-	-	-
Transfer to Capital Redemption Reserve	-	6.40	-	-
Add: Issue of Bonus shares	(6.40)	-	-	-
Balance at the end of the year/period	**-**	**6.40**	**-**	**-**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
General Reserve				
Balance at the beginning of the year/period	3.16	13.15	3.15	3.15
Redemption / bought Back during the year/period	-	(9.99)	-	-
Transfer to general reserve from Debenture Redemption Reserve	-	-	10.00	-
Add: Issue of Bonus shares	(3.16)	-	-	-
Balance at the end of the year/period	**-**	**3.16**	**13.15**	**3.15**
Debenture Redemption Reserve				
Balance at the beginning of the year/period	-	-	10.00	10.00
Transfer to General Reserve	-	-	(10.00)	-
Balance at the end of the year/period	**-**	**-**	**-**	**10.00**
Retained earnings				
Balance at the beginning of the year/period	1,323.31	836.83	586.98	499.56
Restated Profit for the year/period	715.06	492.80	250.21	86.75
Transfer to Capital Redemption Reserve	-	(6.40)	-	-
Other Comprehensive income	0.01	0.08	0.04	1.07
Transaction with owners (preference dividend)	0.00*	-	(0.40)	(0.40)
Balance at the end of the year/period	**2,038.38**	**1,323.31**	836.83	586.98
Total Other Equity	**2,909.37**	**2,313.54**	**903.60**	**635.80**

Nature and purpose of reserves

1. Securities Premium:

Securities premium is used to record the premium on issue of shares. This reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

2. Capital Redemption Reserve:

As per Companies Act, 2013, capital redemption reserve is created when group purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

3. General Reserve:

General Reserve is created out of the profits earned by the Group by way of transfer from surplus in the Statement of Profit and Loss. The Group can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

4. Debenture Redemption Reserve:

The provision of the Companies Act read with the related rules required a Group issuing debentures to create a Debenture Redemption Reserve (DRR) of 10% of the value of Debentures issued, out of the profits of the Group available for the payment of dividend. The amounts credit to DRR can be utilised by the Group only to redeem debentures. The same was utilised fully towards redemption of debentures during FY 22-23.

5. Retained Earnings:

Retained earnings are the profits that the Group has earned till date, less transfers to General Reserve.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 13A: Non-current Borrowings

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Secured				
Term loan from NBFCs	-	-	10.05	0.65
Term loan from Banks	6.72	8.17	-	3.06
Unsecured				
From members	-	-	-	8.10
Debentures (Refer Note 38)	-	-	-	114.05
Less: Current maturities of secured borrowings	(0.50)	(1.96)	(1.81)	(1.87)
Less: Current maturities of unsecured borrowings	-	-	-	(114.05)
Total Non-current Borrowings	**6.22**	**6.21**	**8.24**	**9.94**

Note 13B: Current borrowings

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Secured				
Working capital loan - cash credit facility	101.25	1.36	18.21	20.22
Working capital loan- Inland letter of credit facility	296.46	162.79	9.12	15.55
Current maturities of secured borrowings	0.50	1.96	1.81	1.87
Unsecured				
Current maturities of unsecured borrowings	-	-	-	114.05
Total current Borrowings	**398.21**	**166.11**	**29.14**	**151.69**

a. Nature of security and terms of repayment for secured loan availed from HDFC

(i). Loans, including Cash Credit from HDFC is secured by way of (a) Additional charge on Land & Factory Building at Nagpur, (b) Equitable mortgage of Shops and Personal Apartments of Promoters at Nagpur and (c) Personal guarantees of Directors namely Mr. Vinayak Shankarrao Gan and Mr. Abhijeet Vinayak Gan.

Further, the bank has agreed to extend following credit facilities (current terms) to the company as per letter dated January 5, 2023 and subsequently on December 24, 2024.

Facility	Facility Limit (₹ in million)	Tenor	Interest Rate	Margin
Cash Credit (FD-OD)	154.00	12 months	8.68% (3 months T-Bill +2.18%) plus interest tax	25%
Overdraft Against FD	85.50	12 months	FD Rate + 0.4%	Lien on FD of ₹ 90 mn
Bank Guarantee	612.00	12 months	0.75% + taxes Min commission of ₹ 1000 per BG	25%

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

b. Terms of the unsecured loans from the related parties are as follows

Interest to be mutually agreed between the group and lenders. Current year charge 12% computed annually (for the year ended 31 March 2022: 12%). Loans from directors are repayable on or before 12 months from the date of availing the loan facility have been repaid during the year.

c. Terms of the term loan form Kotak Mahindra Prime Limited / HDFC Bank Limited

(i). Secured by equitable mortgage of vehicles for which loan was availed

(ii). Each Loan is repayable in 60 equitable monthly instalments from the date of availing the loan facility

(iii). Interest rate is 7.1% flat - 8.5% flat.

d. Terms of the term loan form IndusInd Bank

- Total Exposure Rs. 275 million (revised from September 2024 to Rs. 300 million) bifurcation is as follow:
    - Cash credit: 25 million (Revised to Rs. 50 million)
    - Non-Fund Credit: 250 million.
- ROI: 8.5%
- Secured By: Fixed Deposit and Personal Guarantee of Both director Abhijeet Vinayak Gan and Vinayak Shankarrao Gan

Facility	Facility Limit (₹ in million)	Tenor	Interest Rate	Margin
Cash Credit (FD-OD)	50.00	12 months		Book Debt - 25% Inventory - 25%
Overdraft Against FD	100.00	12 months	As mutually agreed,	Lien on FD
Purchase Bill Discounting	150.00	12 months	As mutually agreed,	
Bank Guarantee	500.00	12 months		25%

Note 14: Other financial liabilities

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
A. Non-Current Financial Liabilities				
Security Deposits	3.71	3.31	3.64	4.82
Total Non-Current Financial Liabilities	**3.71**	**3.31**	**3.64**	**4.82**
B. Current Financial Liabilities				
Dividend Payable	-	-	-	0.40
Remuneration to Director Payable	35.93	10.92	23.91	5.61
Employee related payables	11.48	9.30	5.28	5.16
Security Deposits	-	-	0.03	0.13
Total Other Current Financial Liabilities	**47.41**	**20.22**	**29.22**	**11.30**
Total Other Financial Liabilities	**51.12**	**23.53**	**32.86**	**16.12**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 15: Provisions

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
A. Non Current Provisions				
Provision for Gratuity	3.04	2.61	2.09	1.42
Total Non- Current Provisions	**3.04**	**2.61**	**2.09**	**1.42**
B. Current Provisions				
Provision for Gratuity	0.49	0.47	0.42	0.52
Provision for warranties	26.15	9.25	13.46	3.35
Provision for labour cess	3.20	9.11	5.90	3.45
Total Current Provisions	**29.84**	**18.83**	**19.78**	**7.32**
Total Provisions	**32.88**	**21.44**	**21.87**	**8.74**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 16: Trade payables

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises	60.66	95.84	2.28	0.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	359.69	185.10	199.24	121.10
Total Trade Payables	**420.35**	**280.94**	**201.52**	**121.11**

Ageing of Trade Payables:

As at 31 December 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) dues of micro enterprises and small enterprises	60.66	-	-	-	60.66
ii) dues of other than micro enterprises and small enterprises	358.50	0.99	0.20	-	359.69
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
iv) Disputed dues of other than micro enterprises and small enterprises	-	-	-	-	-
Total Trade Payables	**419.16**	**0.99**	**0.20**	**-**	**420.35**

As at 31 March 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) dues of micro enterprises and small enterprises	95.84				95.84
ii) dues of other than micro enterprises and small enterprises	184.33	0.77	-	-	185.10
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
iv) Disputed dues of other than micro enterprises and small enterprises	-	-	-	-	-
Total Trade Payables	**280.17**	**0.77**	**-**	**-**	**280.94**

As at 31 March 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) dues of micro enterprises and small enterprises	2.28				2.28
ii) dues of other than micro enterprises and small enterprises	195.69	3.09	0.39	0.07	199.24
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
iv) Disputed dues of other than micro enterprises and small enterprises	-	-	-	-	-
Total Trade Payables	**197.97**	**3.09**	**0.39**	**0.07**	**201.52**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

As at 31 March 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) dues of micro enterprises and small enterprises	0.01				0.01
ii) dues of other than micro enterprises and small enterprises	105.53	15.50	0.05	0.02	121.10
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
iv) Disputed dues of other than micro enterprises and small enterprises	-	-	-	-	-
Total Trade Payables	**105.54**	**15.50**	**0.05**	**0.02**	**121.11**

Note 17: Other liabilities

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Other Current Liabilities				
Advance from customers	-	1.46	0.10	0.10
Liability towards corporate social responsibility (refer note 24(b))	1.31	1.65	2.25	1.05
TDS and TCS Payable	1.75	18.69	16.66	2.74
PF, ESIC and PT Payable	0.26	0.47	0.15	0.15
Goods and Service Tax Payable	-	10.95	-	-
Total Other liabilities	**3.32**	**33.22**	**19.16**	**4.04**

Note 18: Revenue from operations

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from works contract	2,973.67	1,849.21	1,003.62	577.19
Revenue from services	83.12	178.28	190.72	190.95
Total Revenue from operations	**3,056.79**	**2,027.49**	**1,194.34**	**768.14**
Revenue from completed projects (including operation and maintenance) is deferred due to uncertainty related to its collection from the respective customers on account of commercial disputes.	78.05	30.67	24.83	-

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 19: Other income

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on-				
Fixed Deposits	19.71	23.20	6.80	7.49
Unwinding of lease deposits	0.47	0.04	0.02	0.02
Security Deposits	10.64	6.02	14.65	9.72
Fair valuation gain on investments (including realised gains)	8.59	7.42	-	-
Excess warranty provision	-	4.21	-	-
Income from advertisement	-	0.05	0.01	-
Miscellaneous income	-	-	0.04	3.22
Gain on sale of investment in subsidiary	0.28	-	-	-
Total other income	**39.69**	40.94	**21.52**	**20.45**

Note 20: Cost of material consumed

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Raw materials at the beginning	206.15	58.26	30.93	8.74
Add: Purchases during the year	1,763.43	851.23	375.99	249.55
Less: Raw materials at the end	(623.80)	(206.15)	(58.26)	(30.93)
Total cost of material consumed	**1,345.78**	**703.34**	**348.66**	**227.36**

Note 21: Changes in inventories of finished goods, work in progress

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory of finished goods at the beginning of the year	-	7.70	-	15.18
	-	7.70	-	15.18
Inventory of finished goods at the end of the year	-	-	7.70	-
	-	-	7.70	-
Total changes in inventories of finished goods, work in progress	**-**	**7.70**	**(7.70)**	**15.18**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 22: Employee benefit expense

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	75.22	56.43	38.92	28.40
Contribution to provident and other funds	2.43	2.36	2.35	2.38
Gratuity expenses (refer note 26)	0.46	0.69	0.63	0.75
Staff Welfare Expenses	5.37	7.22	5.83	4.21
Remuneration to Directors (refer note 28)	33.60	44.80	44.80	11.80
Total Employee Benefit Expense	**117.08**	**111.50**	**92.53**	**47.54**

Note 23: Finance Costs

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Bank Charges	3.84	4.48	4.80	4.79
Interest paid to banks	5.15	7.72	3.32	2.59
Interest paid on debentures	-	-	9.97	10.21
Interest paid on unsecured loans	-	-	-	0.97
Interest on Lease liability	4.00	1.09	0.60	0.17
Interest on income tax	-	1.55	-	-
Bank Guarantee Charges	6.30	7.83	-	-
Total Finance Costs	**19.29**	**22.67**	**18.69**	**18.73**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 24: Other expenses

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Site Material, Maintenance and Manufacturing Expenses	331.27	279.97	228.00	218.68
Tender Processing Charges	1.41	1.18	0.79	1.82
Electricity & Fuel Expenses	10.91	31.19	27.62	29.10
Royalty Expense	0.09	0.17	0.35	0.65
Liquidated Damages Deduction	1.03	4.98	8.11	-
Warranty Expenses	16.99	-	10.11	0.94
Advertisement expenses	2.96	1.54	0.12	-
Bad Debts and expected credit loss	123.23	27.24	18.24	66.07
Rent	8.60	7.93	6.45	4.83
Transport, Freight & Carting	5.52	8.10	12.40	12.06
Legal and Professional Expenses	24.47	35.17	9.10	9.84
Commission & Brokerage Expenses	20.78	16.36	14.35	4.50
Repairs and Maintenance	2.85	4.53	8.55	4.07
Insurance Expenses	6.85	0.65	1.03	0.99
Payment to auditors (refer note 24(a)	2.82	2.39	1.27	0.88
Rates and taxes	22.49	24.74	9.34	6.52
Travelling and Conveyance	15.98	23.82	15.84	11.61
Corporate Social Responsibility (CSR) Expenditure (refer note 24(b))	-	4.35	3.09	2.76
Miscellaneous Expenses	13.34	16.63	7.82	5.01
Amortisation of security deposit	10.06	8.85	12.98	10.68
Total Other Expenses	**621.75**	**499.79**	**395.56**	**391.01**

Note 24(a): Details of payments to auditors

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Payment to auditors Towards:				
- Audit fees	1.93	2.17	0.77	0.64
- Tax Audit Fees	-	0.17	0.13	0.11
- Other Services (Including LR)	0.60	-	0.34	0.05
- Out of Pocket Expenses / Expenditure incurred	0.29	0.05	0.03	0.08
Total	**2.82**	**2.39**	**1.27**	**0.88**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 24(b): Details of CSR Expenditure

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Gross amount required to be spent by the Group during the year	5.43*	4.35	3.09	2.76
b) Amount approved by the Board to be spent during the year	-	4.35	3.09	2.76
c) Amount spent during the year				
(i) Construction/acquisition of an asset	-	2.63	-	-
(ii) On purposes other than (i) above	-	0.72	1.01	1.71
d) Unspent amount during the year	5.43	1.00	2.08	1.05
e) Reason for Shortfall	NA	Pertains to ongoing projects of rural development and promoting preventive health care		

** Prorated for nine months period ended December 31, 2024*

Note 25: Earnings per share

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Basic EPS				
Profit attributable to the equity holders of the group used in calculating basic EPS:	715.06	492.80	250.21	86.75
Number of shares outstanding at the beginning of the year (Refer note iv below)	7,15,46,790	28,10,591	26,05,291	26,05,291
Shares issued during the period /year	-	2,13,818	2,05,300	-
Shares bought back during the period /year	-	(6,39,516)	-	-
Number of shares outstanding at the end of the year	7,15,46,790	23,84,893	28,10,591	26,05,291
Weighted average number of equity shares (Refer footnote (ii) below)	7,15,46,790	22,10,774	28,10,591	28,10,591
Adjustment of share split and bonus issue (Refer note (iii) below)	-	6,41,12,454	8,15,07,139	8,15,07,139
Weighted average number of equity shares is used as the denominator in calculating basic EPS (Refer footnote (ii) below)	7,15,46,790	6,63,23,228	8,43,17,730	8,43,17,730
Basic EPS attributable to the equity holders of the group (₹) (Refer footnote (i) below)	9.99	**7.43**	**2.97**	**1.03**
Nominal value of shares (₹ 2) (refer footnote (ii) & (iii) below Note 11)				

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Foot notes

i) Amount for 31 December 2024 is not annualised.

ii) 205,300 shares of ₹ 10 each issued on 31st March 2023 on account of conversion of preference shares, for the purpose of weighted average is considered as if issued from day 1 of the reporting period included in the Restated Consolidated Financial Statements or date of contract, whichever is later, inline with IndAS 33.

iii) Pursuant to resolutions passed by the Board of Directors and the Shareholders in their respective meeting held on 8 October 2024 and 10 October 2024, the face value of the equity shares of the Company was sub divided from ₹10 each to ₹ 2 each. Further pursuant to board and shareholders dated 8 October 2024 and 10 October 2024 company made bonus allotment in ratio of 1**:5**. In compliance with INDAS- 33, Earnings Per Share, the disclosure of basic and diluted earnings per share for all the period /years presented has been arrived at after giving effect to the above sub-division/bonus. Also refer foot notes (ii) and (iii) of Note 11 of Annexure VI to the Restated Financial Statements.

iv) For nine months period ended 31 December 2024, opening number of shares outstanding is adjusted for share split and bonus issue as per note (iii) above.

Particulars	For the period ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Diluted EPS				
Profit attributable to the equity holders of the group used in calculating diluted EPS:	715.06	492.80	250.21	86.75
Weighted average number of equity shares used as the denominator in calculating Basic EPS	7,15,46,790	6,63,23,228	8,43,17,730	8,43,17,730
Weighted average impact of CCPS (Refer Note 11(b)) (Refer footnote (iii) below)	1,38,15,930	55,11,273	-	-
Weighted average number of equity shares used as the denominator in calculating diluted EPS (Refer note (iii) below)	8,53,62,720	7,18,34,501	8,43,17,730	8,43,17,730
Diluted EPS attributable to the equity holders of the group (₹)	**8.38**	**6.86**	**2.97**	**1.03**
Nominal value of shares (₹ 2) (refer footnote (ii) & (iii) below Note 11)				

Footnotes

i) Amount for 31 December 2024 is not annualised.

ii) Pursuant to resolutions passed by the Board of Directors and the Shareholders in their respective meeting held on 8 October 2024 and 10 October 2024, the face value of the equity shares of the Company was sub divided from ₹10 each to ₹ 2 each. Further pursuant to board and shareholders dated 8 October 2024 and 10 October 2024, company made bonus allotment in ratio of 1:5. In compliance with Ind AS- 33, Earnings Per Share, the disclosure of basic and diluted earnings per share for all the period /years presented has been arrived at after giving effect to the above sub-division/bonus. Also refer foot notes (ii) and (iii) of Note 11 of Annexure VI to the Restated Consolidated Financial Statements.

iii) Conversion ratio considered as 1:1 as maximum given in the shareholders' agreement, adjusted for above subdivision and bonus (also refer footnote (ii) and (iii) to Note 11 of Annexure VI to the Restated Consolidated Financial Statements) are contingent upon future valuations for upto 36 months or issue price in IPO.

iv) For nine months period ended 31 December 2024, opening number of shares outstanding is adjusted for share split and bonus issue as per note (iii) above.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 26: Employee Benefit Obligations

Post-employment obligations

Gratuity

The Group operates a defined benefit plan viz. namely gratuity for its employees. Under the gratuity plan, every employee who has completed at least 5 years of service gets a gratuity on departure @ 15 days (minimum) of the last drawn salary for each year of service.

The following tables summarized the components of net benefit expense recognized in the statement of profit and loss, other comprehensive income, and the funded status and amount recognized in the balance sheet.

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Expense Recognized in Statement of Profit and Loss

Particulars	For nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Service cost	0.30	0.51	0.49	0.57
Net Interest Cost	0.16	0.18	0.14	0.18
Expenses Recognized in the statement of Profit & Loss	0.46	**0.69**	**0.63**	**0.75**

Other Comprehensive Income

Particulars	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial gain / (loss) on liabilities	-	-	-	-
Actuarial gain / (loss) on assets	(0.01)	(0.12)	(0.06)	1.51
Closing of amount recognized in OCI outside profit and loss account	**(0.01)**	**(0.12)**	**(0.06)**	**1.51**

The amount to be recognized in Balance Sheet Statement

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Present value of funded obligations	3.53	3.08	2.51	1.94
Fair value of plan assets	-	-	-	-
Net defined benefit liability / (assets) recognized in balance sheet	**3.53**	**3.08**	**2.51**	**1.94**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Change in Present Value of Obligations

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Opening of defined benefit obligations	3.08	2.51	1.94	2.70
Service cost	0.30	0.51	0.49	0.57
Interest Cost	0.16	0.18	0.14	0.18
Benefit Paid	-	-	-	-
Actuarial (Gain)/Loss due to change in financial assumption	-	0.08	(0.03)	-
Actuarial (Gain)/Loss from experience variance	(0.01)	(0.20)	(0.03)	(1.51)
Closing of defined benefit obligation	**3.53**	**3.08**	**2.51**	**1.94**

The significant actuarial assumptions were as follows:

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Discount Rate	6.90% per annum	7.00% per annum	7.30% per annum	7.20% per annum
Rate of increase in Compensation levels	7.00% per annum	7.00% per annum	7.00% per annum	7.00% per annum

The estimate of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Sensitivity Analysis

Following table shows the sensitivity results on liability due to change in the assumptions:

	As at 31 December 2024			As at 31 March 2024		
Particulars	**Amount**	**Impact (Absolute)**	**Impact (%)**	**Amount**	**Impact (Absolute)**	**Impact (%)**
Base Liability	3.53			3.08		
Increase Discount Rate by 1.00%	3.19	(0.34)	(9.63%)	2.78	(0.30)	(9.74%)
Decrease Discount Rate by 1.00%	3.92	0.39	11.05%	3.42	0.34	11.04%
Increase Salary Inflation by 1.00%	3.81	0.28	7.93%	3.33	0.25	8.12%
Decrease Salary Inflation by 1.00%	3.27	(0.26)	(7.37%)	2.85	(0.23)	(7.47%)
Increase in Withdrawal Assumption by 1.00%	3.54	0.01	0.28%	3.09	0.01	0.32%
Decrease in Withdrawal Assumption by 1.00%	3.51	(0.02)	(0.57%)	3.06	(0.02)	(0.65%)

	As at 31 March 2023			As at 31 March 2022		
Particulars	**Amount**	**Impact (Absolute)**	**Impact (%)**	**Amount**	**Impact (Absolute)**	**Impact (%)**
Base Liability	2.51			1.94		
Increase Discount Rate by 1.00%	2.26	(0.25)	(9.96%)	1.77	(0.17)	(8.76%)
Decrease Discount Rate by 1.00%	2.80	0.29	11.55%	2.15	0.21	10.82%
Increase Salary Inflation by 1.00%	2.77	0.26	10.36%	2.13	0.19	9.79%
Decrease Salary Inflation by 1.00%	2.27	(0.24)	(9.56%)	1.79	(0.15)	(7.73%)
Increase in Withdrawal Assumption by 1.00%	2.52	0.01	0.40%	1.95	0.01	0.52%
Decrease in Withdrawal Assumption by 1.00%	2.50	(0.01)	(0.40%)	1.93	(0.01)	(0.52%)

Notes :

1. Liabilities are very sensitive to discount rate, salary inflation and withdrawal rate.

2. Liabilities are very less sensitive due to change in mortality assumptions. Hence, sensitivities due to change in mortality are ignored.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 27: Fair Value Measurements

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

- Level 1- This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2- The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on Group specific estimates.
- Level 3- If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The following methods and assumptions were used to estimate the fair values:

1. The Group has not disclosed the fair values of financial instruments such as cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables, other financial liabilities and borrowings because their carrying amounts are a reasonable approximation of fair value. Further, for financial assets, the Group has taken into consideration the allowances for expected credit losses and adjusted the carrying values where applicable.
2. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The carrying value and fair value of financial instruments by categories including the quantitative disclosures of fair value measurement hierarchy as at 31 December 2024 is as follows:

Particulars	Carrying Value	Notes	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Amortised cost					
Other financial assets					
Non-current	472.41	**4**	-	-	-
Current	1,199.46	**4**	-	-	-
Trade Receivables	1,357.64	**9**	-	-	-
Cash & Cash equivalents	21.22	**10A**	-	-	-
Other Bank Balances	96.00	**10B**	-	-	-
Fair Value through profit and loss					
Investments					
Current	52.54	**8**	-	52.54	-
Total Financial assets	**3,199.27**		**-**	**52.54**	**-**
Financial Liabilities					
Amortised cost					
Borrowings					
Non-current	6.22	**13A**	-	-	-
Current	398.21	**13B**	-	-	-
Lease Liability					
Non-current	43.81	**3B**			
Current	11.05	**3B**			
Trade payables	420.35	**16**	-	-	-
Other Financial Liabilities			-	-	-
Non-current	3.71	**14**	-	-	-
Current	47.41	**14**	-	-	-
Total Financial liabilities	**930.76**		**-**	**-**	**-**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

The carrying value and fair value of financial instruments by categories including the quantitative disclosures of fair value measurement hierarchy as at 31 March 2024 is as follows:

Particulars	Carrying Value	Notes	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Amortised cost					
Other financial assets					
Non-current	143.17	**4**	-	-	-
Current	983.35	**4**	-	-	-
Trade Receivables	287.33	**9**	-	-	-
Cash & Cash equivalents	519.97	**10A**	-	-	-
Other Bank Balances	342.58	**10B**	-	-	-
Fair Value through profit and loss					
Investments					
Current	253.15	**4**	-	253.15	-
Total Financial assets	**2,529.55**		**-**	**253.15**	**-**
Financial Liabilities					
Amortised cost					
Borrowings					
Non-current	6.21	**13A**	-	-	-
Current	166.11	**13B**	-	-	-
Lease Liability					
Non-current	9.02	**3B**			
Current	5.12	**3B**			
Trade payables	280.94	**16**	-	-	-
Other Financial Liabilities			-	-	-
Non-current	3.31	**14**	-	-	-
Current	20.22	**14**	-	-	-
Total Financial liabilities	**490.93**		**-**	**-**	**-**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

The carrying value and fair value of financial instruments by categories including the quantitative disclosures of fair value measurement hierarchy as at 31 March 2023 is as follows:

Particulars	Carrying Value	Notes	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Amortised cost					
Other financial assets					
Non-current	136.19	**4**	-	-	-
Current	402.77	**4**	-	-	-
Trade Receivables	172.40	**9**	-	-	-
Cash & Cash equivalents	275.93	**10A**	-	-	-
Other Bank Balances	13.36	**10B**	-	-	-
Fair Value through profit and loss					
Investments					
Current	-	**4**	-	-	-
Total Financial assets	**1,000.65**		**-**	**-**	**-**
Financial Liabilities					
Amortised cost					
Borrowings					
Non-current	8.24	**13A**	-	-	-
Current	29.14	**13B**	-	-	-
Lease Liability					
Non-current	2.96	**3B**			
Current	3.12	**3B**			
Trade payables	201.52	**16**	-	-	-
Other Financial Liabilities			-	-	-
Non-current	3.64	**14**	-	-	-
Current	29.22	**14**	-	-	-
Total Financial liabilities	**277.84**		**-**	**-**	**-**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

The carrying value and fair value of financial instruments by categories including the quantitative disclosures of fair value measurement hierarchy as at 31 March 2022 is as follows:

Particulars	Carrying Value	Notes	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Amortised cost					
Other financial assets					
Non-current	116.37	**4**	-	-	-
Current	175.41	**4**	-	-	-
Trade Receivables	295.42	**9**	-	-	-
Cash & Cash equivalents	62.71	**10A**	-	-	-
Other Bank Balances	63.58	**10B**	-	-	-
Fair Value through profit and loss					
Investments					
Current	-	**4**	-	-	-
Total Financial assets	**713.49**		**-**	**-**	**-**
Financial Liabilities					
Amortised cost					
Borrowings					
Non-current	9.94	**13A**	-	-	-
Current	151.69	**13B**	-	-	-
Lease Liability					
Non-current	3.90	**3B**			
Current	2.09	**3B**			
Trade payables	121.11	**16**	-	-	-
Other Financial Liabilities			-	-	-
Non-current	4.82	**14**	-	-	-
Current	11.30	**14**	-	-	-
Total Financial liabilities	**304.85**		**-**	**-**	**-**

There have been no transfers among Level 1, Level 2 and Level 3 during the periods.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 28: Related Party Disclosures

A. Names of related parties and their relationships

Name	Relationship
Vinayak Shankarrao Gan	Director and Shareholder with significant influence
Abhijeet Vinayak Gan	Director and Shareholder with significant influence
Nikhil Gan (Date of Resignation February 28, 2022)	Relative of Director
Radhika Dorle	Relative of Director
Nagpur Chemicals	Proprietorship of Director
Garden Enterprises	Proprietorship of Director
Rite Water India Private Limited	Entity under control by key managerial person or director w.e.f. 23 July 2024

B. The following details pertain to transactions carried out with the related parties in the ordinary course of business and the balances outstanding at the reporting date:

a. Transactions with related parties

Nature of Transaction / name of related party	For the nine months ended 31 December 2024	For teh year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Nagpur Chemicals				
Purchase of goods	-	23.62	22.67	-
Expenditure paid on their behalf	6.80	-	-	-
Vinayak Shankarrao Gan				
Salary - expenses (including bonus)	16.80	22.40	22.40	5.90
Loan Taken	-	3.80	0.72	-
Loan Repayment	-	(3.80)	(0.72)	-
Sale of Investment	0.02	-	-	-
Abhijeet Vinayak Gan				
Salary - expenses (including bonus)	16.80	22.40	22.40	5.90
Sale of Investment	0.02	-	-	-
Nikhil Gan				
Salary – expenses	-	-	-	0.66
Radhika Dorle				
Salary – expenses	2.15	1.55	1.20	1.20
Garden Enterprise				
Rent Expense	1.92	1.80	-	-

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

b. Balances as at the period/year end

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Directors Remuneration Payable	35.93	10.92	23.91	5.61
Radhika Dorle - Salary Payable	-	-	-	(0.60)
Nagpur Chemicals	-	0.18	(7.79)	-
Garden Enterprises	0.40	0.54	-	-
Rite Water India Private Limited *	0.06	-	-	-

Note - Reimbursement to/from the related parties are not included in the above
* entity under control by key managerial person or director *w.e.f. 23 July 2024.*

C. Related Party transaction prior to elimination (As per Schedule VI (Para 11(I)(A)(i)(g)) of ICDR Regulations)

The following are the details of the transactions eliminated during the nine months ended 31 December 2024 and years ended 31 March 2024, 31 March 2023 and 31 March 2022

a) In the books of Rite Water Solutions India Limited

Particulars	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Clintech Equipments and Solutions Private Limited				
Investment	-	0.10	-	-
Purchases	394.91	424.23	-	-
Sales	-	110.83	-	-
Infrastructure Recovery Cost	9.47	12.82	-	-
Rite Water India Private Limited				
Expense paid on their behalf	-	0.02	0.03	0.02
Rite Water Lake City LLP				
Advance recovered	0.84	1.20	1.63	-
Advance Given	1.60	2.03	0.82	-
Sale of Asset	4.79			
Expense paid on their behalf	0.20			
Sales of goods	-	-	0.10	-

b) In the books of Clintech Equipments and Solutions Private Limited

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Rite Water Solutions (India) Limited				
Purchase of goods	-	110.83	-	-
Sales	394.91	424.23	-	-
Share Capital issued	-	0.10	-	-
Staff Cost Reimbursed	7.55	11.53	-	-
Infrastructure Cost Reimbursed	1.92	1.29	-	-

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

C) In the books of Rite Water Lake City LLP

Particulars	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Rite Water Solutions (India) Private Limited				
Advance taken	1.60	2.03	0.82	-
Advance repaid	0.84	1.20	1.63	-
Purchase of Goods	-	-	0.10	-

The following are the details of the outstanding balance:

a) In the books of Rite Water Solutions India Limited

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Other financial assets				
Rite Water Lake City LLP*	23.23	28.57	27.76	26.52
Loans				
Rite Water India Pvt Ltd*@	-@	0.08	0.05	0.02
Trade Receivable				
Clintech Equipments and Solutions Private Limited	197.29	(4.50)	-	-

*The amount has been fully provided in Standalone Financial Statements
@ subsidiary upto 22 July 2024 and entity under control by key managerial person or director by w.e.f. 23 July 2024

b) In the books of Clintech Equipments and Solutions Private Limited

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Trade Payable				
Rite Water Solutions (India) Limited	197.29	(4.50)	-	-

c) In the books of Rite Water Lake City LLP

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Partner's Current Account				
Rite Water Solutions India Pvt Ltd	23.23	28.57	27.76	26.52

d) In the books of Rite Water India Private Limited @

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Loans				
Rite Water Solutions India Ltd	-@	0.08	0.05	0.02

@ subsidiary upto 22 July 2024 and entity under control by key managerial person or director w.e.f. 23 July 2024

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 29: Financial risk management objectives and policies

The Group's financial assets includes investments, loans given, trade receivables, cash and cash equivalents and other financial assets that comes directly from its operations and financial liabilities comprises of borrowings, trade and other payables. It has an integrated financial risk management system which proactively identifies monitors and takes precautionary and mitigation measures in respect of the various risks.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks, which evaluates and exercises independent control over the entire process of financial risks.

Market Risk

Market Risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices. The most common types of market risks include interest rate risk, foreign currency risk. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables and loans and borrowings.

The finance department undertakes management of cash resources, hedging strategies for foreign currency exposures, borrowing mechanism and ensuring compliance with market risk limits.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows or the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations.

The Group's investments in Bank deposits are with fixed rate of interest with fixed maturity and hence not significantly exposed to Interest rate sensitivity.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily government receivables and unbilled receivables) and from its financing activities, including deposits with banks and financial institutions, investments and other financial instruments. The Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised as income in the statement of profit and loss.

Cash and cash equivalents:

Balances with banks are subject to low credit risks due to good credit ratings assigned to the banks.

Trade and other receivables:

The Group measures the expected credit loss of trade receivables and loans from individual customers based on historical trend, commercial practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience, past trends etc.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Period	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years
As at 31 December 2024	1,278.82	88.30	105.99	2.74	46.79
As at 31 March 2024	267.09	3.12	49.23	47.62	14.34
As at 31 March 2023	136.54	7.78	81.57	14.96	4.37
As at 31 March 2022	193.68	87.87	40.24	17.82	12.21

Trade receivables consist of number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Of the trade receivables (net) of impairment balance below table shown customer wise breakup.

Name of Customer	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Customer 1	37.27	47.35	-	-
Customer 2	-	-	-	50.77
Customer 3	-	-	-	38.07
Customer 4	-	-	25.41	-
Customer 5	84.67		25.21	39.35
Customer 6	332.47	-	-	-
Customer 7	439.37	-	-	-
Customer 8	51.41	-	-	-
Customer 9	316.60	-	-	-
Others	95.84	239.98	121.78	167.23
	1,357.64	**287.33**	**172.40**	**295.42**

Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's finance department is responsible for liquidity, funding as well as settlement management and then processes related to such risks are overseen by senior management through rolling forecasts on the basis of expected cash flows.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date:

Particulars	**On Demand**	**Less than 1 year**	**1 to 5 years**	**more than 5 years**	**Total**
As at 31 December 2024					
Borrowings					
from Banks and NBFCs	397.71	0.50	6.22	-	404.43
Lease Liability	-	15.90	49.75	-	65.65
Trade payables	-	420.35	-	-	420.35
Other financial liabilities	-	47.41	3.71	-	51.12
As at 31 March 2024					
Borrowings					
from Banks and NBFCs	164.15	1.96	6.21	-	**172.32**
Lease Liability	-	6.49	10.42	-	**16.91**
Trade payables	-	280.94	-	-	**280.94**
Other financial liabilities	-	20.22	3.31	-	**23.53**
As at 31 March 2023					
Borrowings					
from Banks and NBFCs	27.33	1.81	8.24	-	**37.38**
Lease Liability	-	3.51	3.10	-	**6.61**
Trade payables	-	201.52	-	-	**201.52**
Other financial liabilities	-	29.22	3.64	-	**32.86**
As at 31 March 2022					
Borrowings					
from Banks and NBFCs	35.77	1.87	9.94	-	**47.58**
from members	-	8.10	-	-	**8.10**
Debentures		106.96			**106.96**
Lease Liability	-	2.52	4.20	-	**6.72**
Trade payables	-	121.11	-	-	**121.11**
Other financial liabilities	-	11.30	4.82	-	**16.12**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 30: Capital Management

For Group's capital management, capital includes issued share capital, share premium and all other equity reserves. The primary objective of capital management is to maximise shareholder value. The Group manages its capital structure and adjusts in light of changes in economic conditions and the requirements of the financial covenants.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents and bank balances.

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Net debt	234.67	(943.38)	(251.91)	35.34
Equity	3,057.07	2,342.00	931.71	681.85
Capital and net debt	**3,291.74**	**1,398.62**	**679.80**	**717.19**
Gearing ratio	7.13%	-67.45%	-37.06%	4.93%

Calculation of Net Debt is as follows:

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Borrowings				
Non Current	6.22	6.21	8.24	9.94
Current	398.21	166.11	29.14	151.69
Total Borrowings (A)	**404.43**	**172.32**	**37.38**	**161.63**
Cash and cash equivalents and other bank balances	117.22	862.55	289.29	126.29
Current Investments	52.54	253.15	-	-
Total Cash and Bank Balance and Investment (B)	169.76	**1,115.70**	**289.29**	**126.29**
Net Debt (C= A-B)	**234.67**	**(943.38)**	**(251.91)**	**35.34**

Note 31: Commitment and Contingencies (also refer note 38)

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Aggregate value of Bank Guarantees Outstanding	326.88	267.20	154.71	164.75
GST Demands	27.89	2.09	3.53	2.93
Income Tax Demands (excluding additional interest from the date of demand)	3.08	3.08	11.30	4.46
Investment Commitments	-	-	0.10	-

Note 32: Revenue from operations

Disaggregated Revenue information

The Group is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

Particulars	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2023
India	3,056.79	2,027.49	1,194.34	768.14
Outside India	-	-	-	-
Total	**3,056.79**	**2,027.49**	**1,194.34**	**768.14**

Contract balances

The timing of revenue recognition, billings and cash collection results in trade receivables, and billings in excess of costs and estimated earnings on uncompleted contracts (contract liabilities) on each reporting date.

The group discloses receivables from contracts with customer separately in the Restated Consolidated Statement of Assets and Liabilities. To comply with the other disclosures requirements for contract assets and contract liabilities following information is disclosed:

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
Trade Receivables	1,357.64	287.33	172.40	295.42
Contract assets- Unbilled revenue (net of impairment)	1,038.25	609.93	312.61	101.64
Advance to Customer	-	1.46	0.10	0.10

Reconciling the amount of revenue recognised in statement of profit and loss with the contracted price

Particulars	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For teh year ended 31 March 2023	For the year ended 31 March 2023
Revenue as per contracted price	3,056.79	2,027.49	1,194.34	768.14
Adjustments for:				
Rebates, Discounts	-	-	-	-
Others	-	-	-	-
Revenue from contract with customers	**3,056.79**	**2,027.49**	**1,194.34**	**768.14**

Note 33: Segment Information

The principal business of the Group is of implementing water plants and maintenance services and the activities incidental thereto. The Managing Director of the Group has been identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Group's performance, allocates resources based on analysis of the various performance indicators of the Group as a single unit. CODM have concluded that there is only one operating reportable segment as defined under IND AS 108 "Operating Segments", i.e. implementing water plants and maintenance services and incidental activities. The management is of the opinion that there is neither more than one reportable business segment nor more than one reportable geographical segment, therefore, segment information as per Ind AS-108 is not required to be disclosed.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 34: Details of dues to micro and small enterprises as defined under The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
- Principal amount outstanding (whether due or not) to micro and small enterprises	60.66	95.84	2.28	0.01
- Interest due thereon	-	-	-	-
- The amount of interest paid by the Group in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
- The amount of payment made to the supplier beyond the appointed day during the year	-	-	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-	-	-
- The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
- The 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 the MSMED Act, 2006	-	-	-	-

Identification of amounts payable to micro, small and medium enterprises in terms of section 16 of the Micro, Small & Medium Enterprises Development Act,2006 is based on the information available with the group.

Note 35: First Time Adoption of Ind AS

For periods upto and including the year ended 31 March 2023, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP- Indian GAAP).

The audited consolidated financial statements for the year ended 31 March 2024, were the first statutory financial statements of the Group prepared in accordance with Ind AS. In preparing the first IndAS financial statements, the Group's Ind AS opening balance sheet was prepared as at 1 April 2022, the Group's Statutory date of transition to Ind AS.

The Special purpose Ind AS consolidated financial statements as at and for the year ended 31 March 2023 and 31 March 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (i.e. 1 April 2022).

Furthermore, to the first-time transition to Ind AS date is 1 April 2022, the Special Purpose Consolidated Ind AS Financial Statements for the year ended 31 March 2022 has been prepared based on a transition date of 1 April 2021. As a result, the closing balances of items included in the Balance Sheet as at 31 March 2022 may vary from the balances considered on the first-time transition to Ind AS date of 1 April 2022, due to early application of Ind AS principles with effect from 1 April 2021 as compared to the first-time transition date i.e. 1 April 2022. Refer notes below for the reconciliation of equity as on 31 March 2022 as per Restated Consolidated Financial Statements and equity as on 1 April 2022 as per Statutory Ind AS Consolidated Financial Statements for the year ended 31 March 2024.

Exemptions and exceptions applied

Ind AS 101 allows first- time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

Designation of previously recognised financial instruments

Financial assets and financial liabilities are classified at fair value through profit or loss based on facts and circumstances as at the date of transition to Ind AS i.e. 31 March 2021. Financial assets and liabilities are recognised at fair value as at the date of transition to Ind AS i.e. 31 March 2021 and not from the date of initial recognition.

Impairment of financial assets

Under previous GAAP, loan losses and provisions were computed on basis of Management estimations. Under Ind AS, the same is required to be computed as per the impairment principles laid out in Ind AS 109 – 'Financial Instruments' which prescribes the expected credit loss model (ECL model) for the same.

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Group has assessed impairment of financial assets in conformity with Ind AS 109.

Estimates

An entity's estimates in accordance with Ind ASs as 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 31 March 2021 are consistent with the estimates as at the same date made in conformity with previous GAAP.

Leases

Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. According to Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has used Ind AS 101 exemption and assessed all arrangements based on conditions in place as the date of transition.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Derecognition of financial assets and financial liabilities
As set out in Ind AS 101, the Group has applied the derecognition requirements of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

Reconciliations between previous GAAP and Ind AS
The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:
– equity as at 1 April 2021;
– equity as at 31 March 2022;
– equity as at 31 March 2023;
– total comprehensive income for the year ended 31 March 2022 and
– total comprehensive income for the year ended 31 March 2023

In the reconciliations mentioned above, certain reclassifications have been made to Previous GAAP financial information to align with the Ind AS presentation.

Reconciliation of total equity as at 31 March 2023, 31 March 2022 and 1 April 2021

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Total equity (shareholder's funds) as per Indian GAAP Financials	990.15	714.96	554.55
Adjustments:			
Impact of Leases (Refer note 1 below)	0.34	0.09	0.03
Impact of impairment of financial assets (refer note 2 below)	8.09	7.04	(5.99)
Impact of fair valuation of security deposits (refer note 4 below)	2.29	3.97	3.01
Impact of financial liabilities (refer note 4 below)	0.04	13.39	(9.21)
Deferred Taxes (refer note 5 below)	(8.03)	(29.53)	(29.38)
Total adjustments	**2.73**	**(5.04)**	**(41.54)**
Total equity as per Special Purpose Consolidated Ind AS Financial Statements	**987.42**	**720.00**	**596.09**
Total equity as per Statutory IndAS Consolidated Financial Statements for year ended 31 March	**987.42**	**720.00**	

Reconciliation of total comprehensive income for the year ended 31 March 2023 and 31 March 2022

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax as per Indian GAAP	**255.67**	**156.50**
Adjustments:		
Impact of Leases (refer note 1 below)	(0.25)	(0.06)
Impact of impairment of financial assets (refer note 2 below)	(1.05)	(13.03)
Impact of fair valuation of security deposits (refer note 4 below)	1.68	(0.96)
Impact of financial liabilities (refer note 4 below)	33.26	(18.29)
Impact of Deferred Tax on Ind AS adjustments (refer note 5 below)	(21.50)	0.15
Total adjustments	**12.14**	**(32.19)**
Total other comprehensive income as per Special Purpose Consolidated Ind AS Financial Statements	**267.81**	**124.31**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 1: Lease Liability and right of use assets

The Group has applied the modified retrospective approach laid down in Ind AS 116 for recognition of Right-of-use assets and Lease Liabilities as at the date of transition, whereby the Right-of-use asset would be depreciated over the lease term, the interest cost on lease liability would be unwound and charged to finance cost in the statement of profit & loss and the lease rentals actually paid would be charged against lease liability. Therefore, any lease rentals charged to profit and loss in periods prior to adoption of Ind AS would be adjusted against lease liability with a consequential impact in retained earnings as a transition adjustment.

Note 2: Impact of impairment of financial assets as per Ind AS 109

As per Ind AS 109, the Group is required to apply expected credit loss model for recognising the allowance for doubtful loans, trade receivables and other balances. Consequently, the total equity as at 31 March 2023 and 31 March 2022 have decreased.

Note 3: Impact of employee benefit expenses as per Ind AS 19

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to the statement of profit and loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to other equity through OCI. This does not affect total comprehensive income for the respective periods.

Note 4: Impact of fair valuation of financial assets and liabilities as per Ind AS 109

Financial assets and financial liabilities are classified at fair value through profit and loss based on facts and circumstances as at the date of transition to Ind AS. Financial asset (Security Deposit with government as per tender awarded) and liabilities (Redemption of Debenture) are initially recognised at fair value as at the date of transition to Ind AS and not from the date of initial recognition and respective adjustment have been made to opening equity. Further, information about those estimates that existed at that time include adjustments related to balance sheet component of financials liabilities of ₹ 19.91 Mn and ₹ 4.31 Mn for FY23 and FY22 respectively

Note 5: Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of IndAS 12 has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Further, the Company had exemption under Section 80IA of the Income Tax Act 1961 upto 31 March 2022, therefore based on the actual returned income for the respective years, deferred tax has been trued-up / recognised.

Also, deferred tax has also been recognised on the adjustments made on transition to Ind AS.

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Note 36: Additional information pursuant to para 2 of general instructions for the preparation of Restated Consolidated Financial Statements required by the Schedule III:

Name of the Entity	Net assets (total assets - total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	₹ in Mn	As a % of consolidated profit or loss	₹ in Mn	As a % of consolidated other comprehensive income	₹ in Mn	As a % of consolidated total comprehensive income	₹ in Mn
As at and for the nine months period ended 31 December 2024:								
Company								
Rite Water Solutions (India) Limited (formerly known as Rite Water Solutions (India) Private Limited)	91.91%	2,810.01	81.50%	582.73	100.00%	0.01	81.50%	582.74
Subsidiary								
Rite Water India Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Clintech Equipment's and Solutions Private Limited	8.10%	247.50	19.56%	139.90	0.00%	-	19.56%	139.90
Rite Water Lake City LLP	(0.01%)	(0.44)	(0.34%)	(2.43)	0.00%	-	(0.34%)	(2.43)
Total (A)	**100.00%**	**3,057.07**	**100.72%**	**720.20**	**100.00%**	**0.01**	**100.72%**	**720.21**
Adjustments arising out of consolidation (B)	0.00%	-	(0.72%)	(5.14)	0.00%	-	(0.72%)	(5.14)
Grand Total (A+B)	**100.00%**	**3,057.07**	**100.00%**	**715.06**	**100.00%**	**0.01**	**100.00%**	**715.07**
As at and for the year ended 31 March 2024:								
Company								
Rite Water Solutions (India) Limited (formerly known as Rite Water Solutions (India) Private Limited)	95.10%	2,227.20	79.88%	393.60	100.00%	0.08	79.88%	393.68

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Name of the Entity	Net assets (total assets - total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	₹ in Mn	As a % of consolidated profit or loss	₹ in Mn	As a % of consolidated other comprehensive income	₹ in Mn	As a % of consolidated total comprehensive income	₹ in Mn
Subsidiary								
Rite Water India Private Limited	(0.01%)	(0.25)	(0.01%)	(0.06)	0.00%	-	(0.01%)	(0.06)
Clintech Equipment's and Solutions Private Limited	4.60%	107.71	21.84%	107.65	0.00%	-	21.84%	107.65
Rite Water Lake City LLP	0.31%	7.34	(1.88%)	(9.25)	0.00%	-	(1.88%)	(9.25)
Total (A)	**100.00%**	**2,342.00**	**99.83%**	**491.94**	**100.00%**	**0.08**	**99.83%**	**492.02**
Adjustments arising out of consolidation (B)	0.00%	-	0.17%	0.86	0.00%		0.17%	0.86
Grand Total (A+B)	**100.00%**	**2,342.00**	**100.00%**	492.80	**100.00%**	**0.08**	**100.00%**	492.88
As at and for the year ended 31 March 2023:								
Company								
Rite Water Solutions (India) Limited (formerly known as Rite Water Solutions (India) Private Limited)	98.32%	916.13	100.43%	251.27	100.00%	0.04	100.43%	251.31
Subsidiary								
Rite Water India Private Limited	(0.02%)	(0.19)	(0.01%)	(0.03)	0.00%	-	(0.01%)	(0.03)
Clintech Equipment's and Solutions Private Limited	0.00%	(0.04)	(0.02%)	(0.04)	0.00%	-	(0.02%)	(0.04)
Rite Water Lake City LLP	1.69%	15.76	(0.90%)	(2.25)	0.00%	-	(0.90%)	(2.25)
Total (A)	**99.99%**	**931.66**	**99.50%**	**248.95**	**100.00%**	**0.04**	**99.50%**	**248.99**
Adjustments arising out of consolidation (B)	**0.01%**	**0.05**	**0.50%**	**1.26**	**0.00%**	**-**	**0.50%**	**1.26**

(All amounts are in Rupees (₹) millions, unless otherwise stated)

Annexure VI - Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements (Continued)

Name of the Entity	Net assets (total assets - total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	₹ in Mn	As a % of consolidated profit or loss	₹ in Mn	As a % of consolidated other comprehensive income	₹ in Mn	As a % of consolidated total comprehensive income	₹ in Mn
Grand Total (A+B)	**100.00%**	**931.71**	**100.00%**	**250.21**	**100.00%**	**0.04**	**100.00%**	**250.25**
As at and for the year ended 31 March 2022:								
Company								
Rite Water Solutions (India) Limited (formerly known as Rite Water Solutions (India) Private Limited)	97.56%	665.23	100.31%	87.02	100.00%	1.07	100.30%	88.09
Subsidiary								
Rite Water India Private Limited	(0.02%)	(0.15)	(0.03%)	(0.03)	0.00%	-	(0.03%)	(0.03)
Rite Water Lake City LLP	2.44%	16.63	(1.87%)	(1.62)	0.00%	-	(1.84%)	(1.62)
Total (A)	**99.98%**	**681.71**	**98.41%**	**85.37**	**100.00%**	**1.07**	**98.43%**	**86.44**
Adjustments arising out of consolidation (B)	0.02%	0.14	1.59%	1.38	0.00%	-	1.57%	1.38
Grand Total (A+B)	**100.00%**	**681.85**	**100.00%**	**86.75**	**100.00%**	**1.07**	**100.00%**	**87.82**

Note 37: Other Statutory Information

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii) The Group is not declared wilful defaulter by any bank or financial institution or other lender

iii) The Group does not have any transactions with companies struck off.

iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

v) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

provide any guarantee, security or the like on behalf of the ultimate beneficiaries

viii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

ix) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies in the group beyond the specified layers.

x) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

xi) Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

xii) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained

xiii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

xiv) The management assessed that cash and cash equivalents, trade receivables, other current assets, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note 38: Exit proposal with SIDBI Trustee Company Limited

During FY23, the Company along with its promoters and SIDBI Trustee Company Limited has agreed to an exit proposal including

- Payment of ₹ 120 million towards redemption of outstanding Debenture, Accrued Interest and premium payable on redemption as on 31 March 2023 and dividend on preference shares for the financial year 2021-22:
- Payment of ₹ 70 million towards buy-back of outstanding equity shares and preference shares post-conversion into equity shares pursuant to a scheme of equity-buy back within the agreed timeline:
- Payment of 1st additional consideration of ₹ 30 million, contingent upon Company's ability to raise new funding from any other investor, any time after 6 months from the time full exit to the Investor is completed or till 30 September 2023, whichever is later; and
- Payment of 2nd additional consideration of ₹ 110 million, contingent upon the Company's ability to conclude successfully an Initial Public Offering (IPO) by 31 March 2028 and subject to a feasible structure which would be evaluated and approved for its legal and tax compliance by the competent authority and the same to be communicated by the Investor separately.

Pursuant to such an agreement the Company had paid ₹ 120 million as on 31 March 2023 and redeemed all debentures outstanding along with the accrued interest on that day. Total consideration includes

- ₹ 80.00 million towards principal payable on the Debenture
- ₹ 1.61 million towards accrued interest
- ₹ 37.99 million towards premium on redemption of debenture and
- ₹ 0.40 million Dividend on preference shares for the financial year 2021-22.

As on 31 March 2023, the Company converted 2,00,000 preference shares of ₹ 100 each into 2,05,300 equity shares of ₹ 10 each as per the original terms of conversion and credited face value of equity shares of ₹ 2.05 Mn to equity share capital and balance of ₹ 17.95 Mn to Securities Premium Account.

During the year ended 31 March 2024, as agreed by the SIDBI Trustee Company Limited, the Company bought-back entire equity share capital held by the investor of 6,39,516 equity shares of ₹ 10 each (including the converted 2,05,300 equity shares) and paid ₹ 70 Mn out of securities premium reserve account and general reserve.

Full exit activities of the Investor were completed on 6th April 2023

Consequently,
- the entire premium on redemption on preference shares of ₹ 19.51 Mn has been transferred back to the securities premium account on transition date i.e. 1 April September 2021.
- the difference of financial liability (including premium on redemption of debenture) of ₹ 29.31 Mn carried in the books as per the original terms and negotiated settled amount has been written back to statement of profit and loss account as an exceptional item during the year ended 31 March 2023.
- Created Capital Redemption Reserve on buy back of equity shares of Rs. 6.4 Mn during the year ended 31 March 2024

- Further as new investor, invested only on November 7, 2023 (i.e. after 6 months from the date of exit) the Company is not liable to pay the 1st additional consideration of ₹ 30 million. Therefore, this amount is not accrued in the Financial Statements.

- Further a) on Company's making demand for refund to the Investor of its interest-free deposit consequent to the satisfactory completion of the investor' full exit from the Company (in accordance with the terms of the SHA executed between the Company, Promoters and the Investor), consequently the Investor refunding to the Company its interest free security deposit and thereby indicating its acknowledgement of complete exit from the Company and b) as there has been no communication of any legally tenable structure from the Investor to enable the receiving of the 2nd additional consideration (including the execution of required documentation) in the event where the Company would be undertaking a successful IPO, the Management is of the view that full exit is completed, and therefore no provision is required in the financial statements as at March 31, 2024..

Note 39: Subsequent event

1. **Employee Stock Options**

   On January 31,2025, subsequent to the period end, the Company's board of directors has approved grant of a total of 348,340 employee stock options to its employees, key managerial personal and senior managerial personal under the Rite Water Solutions (India) Limited - Employee Stock Option Scheme - 2024. Each option entitles the holder to purchase one common share of the Company at an exercise price of Rs. 2 (face value) per share.

   Details of the Grant

   Number of Options Granted: 348,340
   Exercise Price: Rs. 2
   Vesting Period: 31 Jan 2026: 68,417 Options, 31 Jan 2027: 96,924 Options, 31 Jan 2028: 1,14,588 Options and 31 Jan 2029: 68,411 Options

   The grant of these stock options will result in a share-based compensation expense that will be recognized in the Company's financial statements over the vesting period of the options from the date of grant.

2. Amendment in Water Access Acceleration Fund S.L.P. (Investor) agreement

   On January 27, 2025 and February 6, 2025, the Company, its Promotors and shareholders Water Access Acceleration Fund S.L.P. and Mr. Vishwas Pathak has executed amendment agreements to the Shareholder's Agreement dated 25th Aug 2023 modifying certain the terms of preference shares held by Water Access Acceleration Fund S.L.P. in the event of early conversion due to IPO within the overall conversion .

(All amounts are in Rupees millions, unless otherwise stated)

Annexure VII – Statement of Restated Adjustments to the Consolidated Financial Statements / Special Purpose Consolidated Ind AS Financial Statements

Part A: Statement of Restated Adjustments to the audited Consolidated Financial Statements / audited special purpose consolidated Ind AS financial statements / audited Special Purpose Consolidated Interim Financial Statements

Reconciliation between total equity as per audited consolidated financial statements / audited special purpose consolidated financial statements / audit Special Purpose Consolidated Interim Financial Statements and Restated Consolidated Financial Statements

Particulars	As at 31 December 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Total equity as per the audited consolidated financial statements / audited special purpose Ind AS consolidated financial statements / audit Special Purpose Consolidated Interim Financial Statements	3,057.07	2,399.65	987.42	720.00
Adjustments				
(i) Audit qualification (refer Part B below)		-	-	-
(ii) Adjustments due to change in accounting policy/ prior period items / other adjustments				
- Impact of Impairment on contract assets (refer foot note (a) below)	-	-	(30.84)	(30.84)
- Impairment of Trade Receivables (refer foot note (a) below)	-	(72.96)	(39.01)	(42.21)
- Impact of income tax expense of prior years (refer foot note (b) below	-	(5.94)	(6.20)	-
- Impact of exceptional income in FY23 due to negotiated settlement with investor (refer foot note (c) below)	-	-	-	19.23
- Impact of change in accounting policy on share issue expense in FY24 due to new issue (refer foot note (d) below)	-	-	-	-
(iii) Deferred tax impact on above adjustments except for income tax expense for prior years (refer foot note (e) below)		21.25	20.34	15.67
Total impact of adjustments		**(57.65)**	**(55.71)**	**(38.15)**
Total Equity as per restated consolidated statement of assets and liabilities	**3,057.07**	**2,342.00**	**931.71**	**681.85**

Reconciliation between total comprehensive income as per audited consolidated financial statements / audited special purpose consolidated financial statements / audited Special Purpose Consolidated Interim Financial Statements and Restated Consolidated Financial Statements

Particulars	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
Total Comprehensive Income as per the audited consolidated financial statements / audited special purpose consolidated Ind AS financial statements / audit Special Purpose Consolidated Interim Financial Statements	657.43	491.77	267.81	124.31
Adjustments				
(i) Audit qualification (refer Part B below)	-	-	-	-
(ii) Adjustments due to change in accounting policy/ prior period items / other adjustments				
- Impact of Impairment on contract assets (refer foot note (a) below)	-	30.84	-	(30.84)
- Impairment of Trade Receivables (refer foot note (a) below)	72.96	(33.97)	3.20	(29.19)

(All amounts are in Rupees millions, unless otherwise stated)

Annexure VII – Statement of Restated Adjustments to the Audited Consolidated Financial Information / audited special purpose consolidated financial statements / audit special purpose consolidated interim financial statements (Continued)

Particulars	For the nine months ended 31 December 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2022
- Impact of income tax expense of earlier years (refer foot note (b) below)	5.93	0.27	(6.20)	-
- Impact of exceptional income in FY23 due to negotiated settlement with investor (refer foot note (c) below)	-	-	(19.23)	8.55
- Impact of change in accounting policy on share issue expense in FY24 due to new issue (refer foot note (d) below)	-	3.06	-	-
(iii) Deferred tax impact on above adjustment (refer foot note (e) below)	(21.25)	0.91	4.67	14.99
Total impact of adjustments	**57.64**	**1.11**	**(17.56)**	**(36.49)**
Restated total comprehensive income as per restated consolidated statement of profit and loss	**715.07**	**492.88**	**250.25**	**87.82**

Foot notes:

a) Impairment on contact assets recognised during financial year ended 31 March 2024 was taken back to the financial year ended 31 March 2022 i.e. year in which such contract asset was recognised. Further expected credit loss provision as on 31 December 2024 has been identified to the year for which receivable relates and accordingly adjustment of impairment is recognised during the period in which revenue was recognised.

b) Impact of Income tax expense for year ended 31 March 2023, trued up in year ended 31 March 2024 is taken back the year it relates to.

c) During the year ended 31 March 2023, as stated in note 38 to Annexure VI, company negotiated settlement with one of the investors and recognised an exceptional gain by writing back the liability no longer payable. Such gain has been adjusted with the accrual of liability in the respective years it releases and amounts related to period prior to 1 April 2021 has been adjusted with opening retained earnings.

d) Change in accounting policy by which share issue expenditure for financial year 2024 is reversed and directly debited to securities premium amount.

e) Deferred tax impact on item (a) & (c) above at the appropriate rates.

(All amounts are in Rupees millions, unless otherwise stated)

Annexure VII – Statement of Restated Adjustments to the Audited Consolidated Financial Information / audited special purpose consolidated financial statements / audit special purpose consolidated interim financial statements (Continued)

Part B – Non - Adjusting events / items

i. **Audit qualifications for the year ended 31 March 2022, which do not require any adjustments in the Restated Consolidated Financial Statements as it has been adjusted in Special Purpose Consolidated IndAS Financial Statement, is as follows**

For 31 March 2022:

We draw attention to the note 37 to the financial statement detailing the terms of the preference shares and unsecured debentures and assumptions used for recording and disclosure of the amounts in the financial statements. Pending agreement between the Company, its promoters and investor on terms of redemption, accounting has been done based on the proposal given by the Company, it is not possible for us to determine the adjustments that might have been necessary in the financial statements for the year ended 31 March 2022, if such a proposal is rejected or accepted with modification.

Above qualification has been adjusted in the Special Purpose Consolidated Ind AS Financial Statement and does not require any adjustment to the Restated Consolidated Financial Statements.

ii. **Matter included in the Emphasis of matter paragraph in the Consolidated Financial Statements of the Company which do not require any adjustment in the Restated Consolidated Financial Statements as it has been adjusted in Special Purpose Consolidated Interim Financial Statement, is as follows:**

For the year ended 31 March 2024

We draw attention to note 38 of the consolidated financial statement about the exit proposal agreed between the Company, its promotors and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the books for FY23 and FY24. Our opinion is not modified with respect to above matter.

For the year ended 31 March 2023

We draw attention to note 37 of the Special Purpose Consolidated IndAS Financial Statements about the exit proposal agreed between the Holding Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the financial statements.

iii. **Matter included in the Emphasis of matter / other matter paragraph in the Consolidated Financial Statements of the Company which do not require any adjustment in the Restated Consolidated Financial Statements, is as follows:**

For the year ended 31 March 2024

The financial information of the Group for the year ended 31 March 2023 and the transition date opening balance sheet as at 01 April 2022 included in the consolidated financial statements, are based on the previously issued statutory financial statements for the years ended 31 March 2023 and 31 March 2022 respectively prepared in accordance with the Companies (Accounting Standards) Rules, 2021, have been audited by us and we issued our audit opinion vide our audit reports dated 16 September 2023 and 29 September 2022 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Group on transition to Ind AS have been audited by us. Our opinion is not modified in respect of this matter.

(All amounts are in Rupees millions, unless otherwise stated)

Annexure VII – Statement of Restated Adjustments to the Audited Consolidated Financial Information / audited special purpose consolidated financial statements / audit special purpose consolidated interim financial statements (Continued)

iv. Matter included in the Independent Auditor's Report of the Consolidated Financial Statements of the Company which does not require any corrective adjustment in the Restated Consolidated Financial Statements is as follows: For the year ended 31 March 2024:

(xxi) As required by Paragraph (xxi) of Companies (Auditor's Report) Order (CARO), there have been no qualifications or adverse remarks by the respective auditors in the CARO reports of the companies included in the consolidated financial statements except:

Name	CIN	Relationship	Clause number of the CARO report which is qualified or adverse
Rite Water Solutions (India) Private Limited	U29100MH2004PTC148812	Company	i, iii and vii

Above responses in respect of clause 3(xxi) do not include comments in respect of those entities which are not in scope of CARO, therefore their audit report does not include reporting under CARO.

v. Matter included in the Companies (Auditor's Report) Order of the Standalone Financial Statements of the Company which does not require any corrective adjustment in the Restated Consolidated Financial Statements is as follows: For the year ended 31 March 2024:

Clause i(c) of the CARO order

According to the information and explanations given to us and the basis of our examination of the records of the company, the title deeds of the immovable properties (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in its earlier name i.e. 'Nagpur Aquatech Private Limited'.

Clause iii of the CARO order

(c) In respect of following loans and advances in the nature of loans, the schedule of repayment of principal has not been stipulated and amount has not been demanded

Name of the entity	Amount	Principal / Interest	Due date	Extent of delay	Remarks, if any
Rite Water Lake City LLP	Nil (net of provisions)	Nil (net of provisions)	Not specified	Not Claimed	Repayment schedule is not stipulated and entire advance is provided for.
Rite Water India Private Limited	Nil (net of provisions)	Nil (net of provisions)	Not specified	Not Claimed	Repayment schedule is not stipulated and entire advance is provided for

(f) Based on our audit procedures and according to the information and explanation given to us, the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment as follows:

	All parties	Promoters	Related parties
Aggregate amount of loans/advances in nature of loan – Repayable on demand (A) – Agreement does not specify any terms or period of repayment (B)	- Nil (Net of Provision) (LLP under management control)	- -	- Nil (Net of Provision) (LLP under management control)
Total (A+B)			
Percentage of loans/advances in nature of loan to the total loans	-	-	-

(All amounts are in Rupees millions, unless otherwise stated)

Annexure VII – Statement of Restated Adjustments to the Audited Consolidated Financial Information / audited special purpose consolidated financial statements / audit special purpose consolidated interim financial statements (Continued)

Clause vii of the CARO order

(a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and any other material statutory dues as applicable with the appropriate authorities except payment of Professional Tax in the State of Maharashtra (12 months), payment of goods and service tax in States of Bihar (3 months), Maharashtra (2 months), Jharkhand (2 months), Chhattisgarh (2 months), Madhya Pradesh (3 months), Rajasthan (2 months) and West Bengal (2 months) respectively. According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of statutory dues were in arrears, as at 31 March 2024 for a period of more than six months from the date they became payable except.

Nature of statues	Nature of Dues	Amount (Rs. in Mn)	Period to which amount relates	Date of Payment	Remarks
Income tax	Income tax demand u/s 270(A)	0.01	AY 2017-18	Not paid	The final interest amount is pending to be paid.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at 31 March 2024, which have not been deposited with the appropriate authorities on account of any dispute,

Nature of Statute	Nature of dues	Amount (Rs. in Mn)	Period to which the Amount relates	Forum where dispute is pending
Income Tax	Income tax demand u/s 143(3)	0.68	AY 2018-19	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	Income tax demand u/s 143(1a)	1.05	AY 2020-21	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	Income tax demand u/s 143(1)	0.00*	AY 2023-24	Interest amount. To be paid
	TDS Default	0.02	Various Years	Reply submitted to online. Closure awaited.
Goods & Service Tax	Difference between GSTR-3B and GSTR-7 and penalty under Section-73.	2.93	AY 2020-21	Appeal is filed

(* Rounded less than 1000)

vi. Matter included in the Independent Auditor's Report of the Consolidated Financial Statements of the Company which does not require any corrective adjustment in the Restated Consolidated Financial Statements is as follows:

For the year ended 31 March 2023

(xxi) As required by Paragraph (xxi) of Companies (Auditor's Report) Order (CARO), there have been no qualifications or adverse remarks by the respective auditors in the CARO reports of the companies included in the consolidated financial statements except:

Name	CIN	Relationship	Clause number of the CARO report which is qualified or adverse
Rite Water Solutions (India) Private Limited	U29100MH2004PTC148812	Company	I (c), iii and vii

(All amounts are in Rupees millions, unless otherwise stated)

Annexure VII – Statement of Restated Adjustments to the Audited Consolidated Financial Information / audited special purpose consolidated financial statements / audit special purpose consolidated interim financial statements (Continued)

Above responses in respect of clause 3(xxi) do not include comments in respect of those entities which are not in scope of CARO, therefore their audit report does not include reporting under CARO.

vii. Matter included in the Companies (Auditor's Report) Order of the Standalone Financial Statements of the Company which does not require any corrective adjustment in the Restated Consolidated Financial Statements is as follows:

For the year ended 31 March 2023

Clause 1 (c) of the CARO order

According to the information and explanations given to us and the basis of our examination of the records of the company, the title deeds of the immovable properties (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in its earlier name i.e. 'Nagpur Aquatech Private Limited'.

Clause iii of the CARO order

c) In respect of following loans and advances in the nature of loans, the schedule of repayment of principal has not been stipulated and amount has not been demanded

Name of the entity	**Amount**	**Principal / Interest**	**Due date**	**Extent of delay**	**Remarks, if any**
Rite Water Lake City LLP	Nil (net of provisions)	Rs. 16.19 Mn (net of provisions)	Not specified	Not Claimed	Repayment schedule is not stipulated

f) Based on our audit procedures and according to the information and explanation given to us, the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment as follows:

	All parties	**Promoters**	**Related parties**
Aggregate amount of loans/advances in nature of loan			
– Repayable on demand (A)	-	-	-
– Agreement does not specify any terms or period of repayment (B)	Rs. 16.19 Mn (Net of Provision) (LLP under management control)	-	Rs. 16.19 Mn (Net of Provision) (LLP under management control)
Total (A+B)			
Percentage of loans/advances in nature of loan to the total loans	100%		100%

(All amounts are in Rupees millions, unless otherwise stated)

Annexure VII – Statement of Restated Adjustments to the Audited Consolidated Financial Information / audited special purpose consolidated financial statements / audit special purpose consolidated interim financial statements (Continued)

Clause vii of the CARO order

(a) The Company has been regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, duty of excise, works contract tax, cess and other material statutory dues, as applicable, with the appropriate authorities except 7 instances in each of delayed payment of Employee's state insurance dues and provident fund. The provisions relating to sales tax, service tax, excise duty and value added tax are not applicable to the Company.

No undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Duty of Customs, Goods and Services Tax (GST), cess and any other statutory dues were in arrears, as at 31st March 2023 for a period of more than six months from the date they became payable, except.

Nature of statues	**Nature of Dues**	**Amount (Rs.)**	**Period to which amount relates**	**Date of Payment**	**Remarks**
Income tax	Income tax demand u/s 270(A)	0.00*	AY 2017-18	Not paid	The final interest amount is pending to be paid.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service-tax, goods and service tax, duty of customs, and duty of excise or value added tax which have not been deposited as at 31 March 2023 on account of any dispute, except for

Nature of Statute	**Nature of dues**	**Amount (Rs. in Mn)**	**Period to which the Amount relates**	**Forum where dispute is pending**
Income Tax	Income tax demand u/s 143(3)	0.68	AY 2018-19	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	Income tax demand u/s 270(A)	0.00*	AY 2018-19	The final interest amount is pending to be paid. Closure awaited.
	Income tax demand u/s 154	0,98	AY 2010-22	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	Income tax demand u/s 143(1a)	1.32	AY 2020-21	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	Income tax demand u/s 154	1.06	AY 2019-20	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	Income tax demand u/s 154	1.37	AY 2021-22	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	TDS Default	0.02	Various Years	Reply submitted to online. Closure awaited.
GST	Difference between GSTR-1 and GSTR-7 and penalty under Section-73.	0.60	AY 2019-20	Appeal is filed
	Difference between GSTR-3B and GSTR-7 and penalty under Section-73.	2.93	AY 2020-21	Appeal is filed

*Amount less than 5,000

(All amounts are in Rupees millions, unless otherwise stated)

Annexure VII – Statement of Restated Adjustments to the Audited Consolidated Financial Information / audited special purpose consolidated financial statements / audit special purpose consolidated interim financial statements (Continued)

viii. Matter included in the Independent Auditor's Report of the Consolidated Financial Statements of the Company which does not require any corrective adjustment in the Restated Consolidated Financial Statements is as follows: For the year ended 31 March 2022:

(xxi) As required by Paragraph (xxi) of Companies (Auditor's Report) Order (CARO), there have been no qualifications or adverse remarks by the respective auditors in the CARO reports of the companies included in the consolidated financial statements except:

Name	CIN	Relationship	Clause number of the CARO report which is qualified or adverse
Rite Water Solutions (India) Private Limited	U29100MH2004PTC148812	Company	i, iii and vii

Above responses in respect of clause 3(xxi) do not include comments in respect of those entities which are not in scope of CARO, therefore their audit report does not include reporting under CARO.

ix. Matter included in the Companies (Auditor's Report) Order of the Standalone Financial Statements of the Company which does not require any corrective adjustment in the Restated Consolidated Financial Statements is as follows: For the year ended 31 March 2022:

Clause i(c) of the CARO order

According to the information and explanations given to us and the basis of our examination of the records of the company, the title deeds of the immovable properties (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in its earlier name i.e. 'Nagpur Aquatech Private Limited'.

Clause iii of the CARO order

c) In respect of following loans and advances in the nature of loans, the schedule of repayment of principal has not been stipulated and amount has not been demanded

Name of the entity	Amount	Principal / Interest	Due date	Extent of delay	Remarks, if any
Rite Water Lake City LLP	15.17 Mn (net of provisions)	15.17 Mn (net of provisions)	Not specified	Not Claimed	Repayment schedule is not stipulated

f) Based on our audit procedures and according to the information and explanation given to us, the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment as follows:

	All parties	Promoters	Related parties
Aggregate amount of loans/advances in nature of loan			
– Repayable on demand (A)	-	-	-
– Agreement does not specify any terms or period of repayment (B)	15.17 (Net of Provision) (LLP under management control)	-	15.17 (Net of Provision) (LLP under management control)
Total (A+B)			
Percentage of loans/advances in nature of loan to the total loans	100%		100%

(All amounts are in Rupees millions, unless otherwise stated)

Annexure VII – Statement of Restated Adjustments to the Audited Consolidated Financial Information / audited special purpose consolidated financial statements / audit special purpose consolidated interim financial statements (Continued)

Clause vii of the CARO order

(a) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service-tax, goods and service tax, duty of customs, and duty of excise or value added tax which have not been deposited as at 31 March 2022 on account of any dispute, except for

Nature of Statute	Nature of dues	Amount (Rs. in Mn)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Income tax demand u/s 143(1a)	0.68	AY 2018-19	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	Income tax demand u/s 143(1a)	1.1	AY 2020-21	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	Income tax demand u/s 270(A)	0.07	AY 2017-18	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	Income tax demand u/s 143(1a)	3.46	AY 2019-20	Reply submitted to Central Processing Cell rejecting demand. Closure awaited.
	TDS Default	0.13	Various Years	Reply submitted to online. Closure awaited.
GST	Difference between GSTR-3B and GSTR-7 and penalty under Section-73.	2.93	AY 2020-21	Appeal is filed

x. Matters included in the Independent Auditor's Report on Special Purpose Consolidated IndAS Financial Statement of the Company which does not require any corrective adjustment in the Restated Consolidated Financial Statements is as follows:

Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use:

<u>For the years ended on 31 March 2023 and 31 March 2022</u>

(i) We draw attention to note 37 of the Special Purpose Consolidated IndAS Financial Statements about the exit proposal agreed between the Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the financial statements.

(ii) We draw attention to Note 2.1(A) to Special Purpose Consolidated Ind AS Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Ind AS Financial Statements and non-inclusion of comparative amounts for the year ended 31 March 2021. These Special Purpose Consolidated Ind AS Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statement of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Company as required by Section 26(1) of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

(iii) The Board of Directors of the Company at their meeting held on 16 September 2023 had approved a set of general-purpose consolidated financial statements for the year ended 31 March 2023, prepared in accordance with the accounting standards (AS) notified under Section 133 of the Companies Act 2013 (the "Act") and other applicable accounting practices and we had issued our report thereon covering required matters dated 16 September 2023 under our UDIN 23131178BGTQFK4283. Further, this report should not be construed as withdrawal of or modification of our report dated 16 September 2023 issued on general-purpose consolidated Financial Statements of the Group.

(iv) The Board of Directors of the Company at their meeting held on 29 September 2022 had approved a set of general-purpose consolidated financial statements for the year ended 31 March 2022, prepared in accordance with the accounting standards (AS) notified under Section 133 of the Companies Act 2013 (the "Act") and other applicable accounting practices and we had issued our report thereon covering required matters dated 29 September 2022 under our UDIN 22131178AXTKYS7382. Further, this report should not be construed as withdrawal of or modification of our report dated 29 September 2022 issued on general-purpose consolidated Financial Statements of the Group.

Our Opinion is not modified in respect of the above matters.

xi. Matters included in the Independent Auditor's Report on Special Purpose Consolidated Interim Financial Statements of the Company which does not require any corrective adjustment in the Restated Consolidated Financial Statements is as follows:

Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use:

For the nine months ended 31 December 2024

We draw attention to note 36 of the Special Purpose Consolidated Interim Financial Statements about the exit proposal agreed between the Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the financial statements.

We draw attention to Note 2.1(A) to Special Purpose Consolidated Interim Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Interim Financial Statements and non-inclusion of comparative amounts for the nine months ended 31 December 2023. These Special Purpose Consolidated Interim Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statement of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Company as required by Section 26 of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Interim Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our Opinion is not modified in respect of the above matter.

xii. Other matters

Changes in the assumptions on accounts of estimates –
Impact of changes in the assumption on estimate is accounted prospectively from the year/period when those assumptions are changed and historical periods are not adjusted for that, such changes in discount rates, attrition rates, salary increase etc. for computation of employee benefit expenditure

Annexure VII – Statement of Restated Adjustments to the Audited Consolidated Financial Information / audited special purpose consolidated financial statements / audit special purpose consolidated interim financial statements (Continued)

Part C: Material Regrouping/ reclassification

No material regrouping/reclassification have been made in the Restated Consolidated Statement of Assets and Liabilities, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Audited Special Purpose Consolidated Interim Financial Statements for the nine months ended 31 December 2024 / Audited Consolidated Financial Statements for the year ended 31 March 2024 / Audited Special Purpose Consolidated Ind AS Financial Statements prepared in accordance with Schedule III (Division II) of the Act, as amended, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and wherever applicable the requirements of the SEBI ICDR Regulations.

Part D: Other Restatement Adjustment

Restatement of earnings per share ('EPS') including diluted earnings per share

The Group had revised the EPS computation for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 after considering (i) split in one equity share of Rs. 10 each to five equity shares of Rs. 2 each (ii) issue of 5 bonus equity shares for each equity share held in the Company on the record date of the bonus issue, (iii) the conversion impact of its convertible instruments while computing Basic EPS & Dilutive EPS for its previous periods based on the final negotiated settlement in financial year 2022-23 and (iii) Ind AS adjustments as detailed in Note 38 to Annexure VI and (iv) Restated adjustment as detailed in A above.

The above Annexure should be read with the basis of preparation and material accounting policies appearing in Annexure V and notes and other explanatory information forming part to the Restated Consolidated Financial Statements appearing in Annexure VI.

OTHER FINANCIAL INFORMATION

The accounting ratios derived from Restated Consolidated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(in ₹ million other than share data)

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Restated earnings per Equity Share (in ₹) - Basic	9.99	7.43	2.97	1.03
Restated earnings per Equity Share (in ₹) - Diluted	8.38	6.86	2.97	1.03
Return on net worth (%)(1)	23.39%*	21.04%	26.85%	12.72
Net asset value per Equity Share (in ₹)(2)	42.73	35.31^	11.05^	8.09^
EBITDA(3)	971.49	704.97	364.94	86.99
EBITDA Margin (%)(4)	31.78%	34.77%	30.56%	11.32%

* *Not annualized*

^ *Our Company has sub-divided each of its equity shares bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and carried a bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of net asset value per equity share as per the requirement / principles of Ind AS 33, as applicable. The Net Asset Value per Equity Share has been calculated for all periods presented after giving effect to such sub-division and bonus in accordance with applicable accounting standards*

Notes:

(1) Return on Net worth has been calculated as profit after tax for the year/period as a percentage of Total Equity at the end of the period/year

(2) Net Asset Value per share is calculated as total net worth divided by the weighted average number of Equity Shares outstanding at the end of the year. Weighted average number of shares do not take into account conversion of CCPS into a maximum of 13,815,930 Equity Shares of face value of ₹2 each.

(3) EBITDA is calculated as profit before exceptional items and tax minus other income (including share of profit of associate) plus finance costs, depreciation and amortisation

(4) EBITDA margin is calculated as a percentage of EBITDA to Revenue from operations for the relevant periods/year.

Non-GAAP Financial Measures

This Draft Red Herring Prospectus includes certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance (together, "**Non-GAAP Measures**" and each a "**Non-GAAP Measure**"), as presented below. These Non-GAAP financial measures are not required by or presented in accordance with Ind AS.

Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. For further information, please refer to "*Risk Factors – Internal Risks - Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These Non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies"* on page 69.

Reconciliation of Non-GAAP Financial Measures

Reconciliation of PAT Margin

The table below reconciles the PAT Margin of our Company:

Particulars	For nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit after tax, as restated (A)	715.06	492.80	250.21	86.75
Revenue from operations, as restated (B)	3,056.79	2,027.49	1,194.34	768.14
Profit after tax Margin (C = A / B)	**23.39%**	**24.31%**	**20.95%**	**11.29%**

Note: PAT Margin (%) is calculated as Profit for the year/ period as a percentage of Revenue from Operations

Return on Equity ("ROE")

The table below reconciles the ROE our Company:

Particulars	For nine-month period ended December 31, 2024*	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit after tax, as restated (A)	715.06	492.80	250.21	86.75
Total Equity, as restated (B)	3,057.07	2,342.00	931.71	681.85
Return on Equity (C = A / B)	**23.39%**	**21.04%**	**26.85%**	**12.72%**

* *Not Annualised for nine months ended December 31, 2024*

Note: Return on Equity is calculated as profit for the year/ period divided by total equity

Return on Capital Employed ("ROCE")

The table below reconciles the ROCE our Company:

Particulars	For nine-month period ended December 31, 2024*	Fiscal 2024	Fiscal 2023	Fiscal 2022
Earnings Before Interest and Tax, as restated	947.96	688.18	357.51	83.35
Capital Employed, as restated	3,516.36	2,528.39	975.09	849.33
ROCE	**26.96%**	**27.22%**	**36.66%**	**9.81%**

* *Not Annualised for nine months ended December 31, 2024*

Note: Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of Total Equity and Total Borrowings. EBIT is calculated as EBITDA minus depreciation and amortization. Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities

Net Debt to EBITDA ratio

Particulars	For nine-month period ended December 31, 2024*	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net debt, as restated	289.53	(929.24)	(245.83)	41.33
EBITDA	971.49	704.97	364.94	86.99
Net Debt to EBITDA ratio	**0.30**	**(1.32)**	**(0.67)**	**0.48**

* *Not Annualised for nine months ended December 31, 2024*

Note: Net Debt to EBITDA is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings minus total of cash and cash equivalents, bank balances other than cash and cash equivalents and current investments. Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities

EBITDA

Particulars	For nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Restated Profit before exceptional items and tax	968.36	706.45	360.34	85.07
Less: Other Income	(39.69)	(40.94)	(21.52)	(20.45)
Add: Finance costs	19.29	22.67	18.69	18.73
Add: Depreciation and amortization	23.53	16.79	7.43	3.64
EBITDA	**971.49**	**704.97**	**364.94**	**86.99**

Note: EBITDA is calculated as profit before exceptional items and tax minus other income (including share of profit of associate) plus finance costs, depreciation and amortisation

EBITDA Margin

Particulars	For nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
EBITDA, as restated (A)	971.49	704.97	364.94	86.99
Revenue from Operations, as restated (B)	3,056.79	2,027.49	1,194.34	768.14
EBITDA Margin (C = A / B)	**31.78%**	**34.77%**	**30.56%**	**11.32%**

Note: EBITDA Margin is calculated as a percentage EBITDA to Revenue from Operations for the relevant periods/ year

Net Asset Value

Particulars	For nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net Worth, as restated (A)	**3,057.07**	**2,342.00**	**931.71**	**681.85**
Weighted average number of Equity Shares (B)#	71,546,790	66,323,228	84,317,730	84,317,730
Net Asset Value per share of ₹ 2 each (C = A / B)	**42.73**	**35.31^**	**11.05^**	**8.09^**

 # Weighted average number of shares do not take into account conversion of CCPS into a maximum of 13,815,930 Equity Shares of face value of ₹2 each.

^ Our company has sub-divided each of its equity shares bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and carried a bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. The impact of split of shares and issue of bonus shares are retrospectively considered for the

computation of net asset value per equity share as per the requirement / principles of Ind AS 33, as applicable. The Net Asset Value per Equity Share has been calculated for all periods presented after giving effect to such sub-division and bonus in accordance with applicable accounting standards

Return on Net worth ("RONW")

The table below reconciles the RONW of our Company:

Particulars	For nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit after tax, as restated (A)	715.06	492.80	250.21	86.75
Net Worth, as restated (B)	3,057.07	2,342.00	931.71	681.85
Return on Net worth (C = A / B)	**23.39%**	**21.04%**	**26.85%**	**12.72%**

Note: Return on Net worth has been calculated as profit after tax for the year/period as a percentage of Total Equity at the end of the period/year

Other financial information

In accordance with the Schedule VI, Part A (11)(I)(A)(ii)(b) of the SEBI ICDR Regulations, the audited standalone financial statements as at Fiscals ended March 31, 2024, March 31, 2023, and March 31, 2022, respectively ("**Audited Financial Statements**") of our Company and the subsidiary which are considered 'material' in terms of the aforesaid provision of the SEBI ICDR Regulations are available at www.ritewater.in/investor-relations/IPO, respectively.

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, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider while subscribing to or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision.

None of the Group or any of its advisors, nor any of the BRLMs or Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For details of related party transactions as per the requirements under applicable accounting standards, i.e., Ind AS 24 – Related Party Disclosures, read with the SEBI ICDR Regulations for the nine-month period ended December 31, 2024 and the Fiscals ended March 31, 2024, March 31, 2023 and March 30, 2022 and as reported in Restated Consolidated Financial Statements, see "*Restated Consolidated Financial Statements – Annexure VI- Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 28*" on page 346.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey the management's perspective on our financial condition and results of operations for the nine-month period ended December 31, 2024 and Fiscals 2024, 2023 and 2022 and you should read the following discussion in conjunction with the Restated Consolidated Financial Statements. The Restated Consolidated Financial Statements has been prepared by our management as required under the SEBI ICDR Regulations read with the ICAI Guidance Note.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below. For details, see "Forward-Looking Statements" beginning on page 15. Also see "Risk Factors" and "- Principal Factors Affecting our Financial Condition and Results of Operations" on pages 29 and 378, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Ind AS differs in certain respects from Indian GAAP, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. For more information, see "Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which may be material to investor's assessments of our financial condition" on page 74.

Unless otherwise indicated or the context otherwise requires, the financial information for the financial years ended March 31, 2022, 2023 and 2024, and for the nine-month period ended December 31, 2024, included herein is derived from the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this Draft Red Herring Prospectus. Such non-GAAP financial measures should be read together with the nearest GAAP measure. See "Risk Factors – Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These Non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies" on page 69.

*The industry-related information contained in this section is derived from the industry report titled 'Water, Solar Pumps and IoT Industry Report' dated February 7, 2025 prepared by Lattice Technologies Private Limited (the "**1Lattice Report**"). We have exclusively commissioned and paid for the 1Lattice Report for the purposes of confirming our understanding of the industry exclusively in connection with the Offer. We officially engaged Lattice Technologies Private Limited in connection with the preparation of the 1Lattice Report pursuant to an engagement letter dated August 28, 2024. A copy of the 1Lattice Report shall be available on the website of our Company at www.ritewater.in/investor-relations/IPO, from the date of the Draft Red Herring Prospectus until the Bid/Offer Closing Date. Unless otherwise indicated, the industry-related information contained in this section is derived from the 1Lattice Report (extracts of which have been appropriately incorporated as part of "Industry Overview" beginning on page 146).*

Overview

For details regarding the overview of our Company, see "*Our Business –Overview*" on page 209.

Principal Factors Affecting Our Financial Condition and Results of Operations

Our business, results of operations and financial condition are affected by a number of factors, including:

A. Macro-economic conditions, and the factors affecting the water, solar agriculture and IoT solutions sectors, in India

Our performance is significantly affected by the economic environment, particularly trends in the water, solar agriculture, and IoT solutions sectors in India. These sectors are influenced by economic growth, regulatory frameworks, government investment, and environmental policies, all of which directly impact demand for water management and infrastructure projects.

For example, fluctuations in GDP growth, inflation, and government spending influence public and private investments in the water, solar agriculture, and IoT sectors. An expanding economy encourages infrastructure projects and policy support, while slowdowns may limit budgets and reduce demand for new initiatives.

- *Policy*: Government programs (e.g., Jal Jeevan Mission) and funding allocations affect the scale and speed of water infrastructure projects.

- *Technological advancements:* Innovative treatment methods can drive adoption but may require significant R&D spending.

- *Government incentives:* Initiatives like PM Kusum Scheme can boost or dampen demand depending on subsidy levels and policy stability.

- *Energy prices and climate:* Variations in conventional energy costs and changing weather patterns directly impact the need for solar-powered irrigation.

- *Infrastructure*: Reliable internet and telecom networks are essential for IoT deployment, especially in rural areas.

- *Data Security*: Growing privacy regulations can influence design, implementation, and acceptance of IoT systems.

Shifts in economic conditions and sector-specific policies directly influence project feasibility, cost management, and deployment timelines. For instance, reduced government budgets or delayed subsidy disbursements can slow down project execution, while fluctuations in raw material costs and inflation can affect pricing strategies and profit margins. Maintaining flexibility in resource allocation and staying attuned to policy changes allow businesses to adapt quickly and sustain operations despite these uncertainties.

B. Pre-qualification requirements

Our primary customers are state government bodies that mandate stringent pre-qualification criteria for prospective vendors. These criteria typically include technical capability, past performance, reputation for quality and safety, financial stability, and experience executing similar projects. Meeting these qualifications is critical, as they often determine eligibility for bidding on high-value contracts and government tenders.

Financial parameters play a vital role in satisfying these requirements. Common metrics include minimum turnover, net worth, and the capacity to furnish performance bank guarantees.

The following table sets forth the details of bids at various stages for the period as stated below:

(In ₹ million, unless indicated otherwise)

Particulars	Nine-months period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Number of bids	% of total number of bids applied	Number of bids	% of total number of bids applied	Number of bids	% of total number of bids applied	Number of bids	% of total number of bids applied
Bids awarded	3	20.00%	17	25.75%	8	26.67%	10	35.71%
Bids cancelled	2	13.33%	42	63.64%	22	73.33%	18	64.29%
Bids under process	7	46.67%	3	4.55%	-	-	-	-
Bids rejected	3	20.00%	4	6.06%	-	-	-	-
Total bids submitted	15	100.00%	66	100.00%	30	100.00%	28	100.00%

Further, set out below are the details of the bids submitted as percentage of bids awarded:

Particulars	Nine-month ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Bids awarded as percentage (%) of bids submitted	20.00%	25.75%	26.67%	35.71%

Beyond meeting these baseline thresholds, collaborations and strategic partnerships can significantly strengthen our bidding position. By teaming up with other firms, we can pool resources, expand our expertise, and present more comprehensive solutions that align with government expectations. While price competitiveness remains an important factor in securing these contracts, pre-qualification ultimately serves as the gateway to substantial project opportunities, ensuring that only reputable and capable entities are entrusted with delivering critical government infrastructure and services.

C. Working capital requirements and access to capital resources

Our ability to grow depends largely on cost effective avenues of funding. Our business requires significant amounts of working capital, primarily to meet any expenses incurred in the ordinary course of business, including for financing our raw materials and components purchases, payment of salaries and wages, rent, administration expenses, insurance related expenses, payment of taxes and duties, advertisement, brand building and other marketing expenses, payment of interest on borrowings and meeting any other exigencies which we may face in manufacturing our products before we receive payments from our customers. Further, our working capital requirements also tend to increase if contractual or sales terms do not include advance payments or if under such contractual arrangements, payment is stipulated at the time of delivery of the final product to our customer or post installation and commissioning. Moreover, our working capital requirements will increase in the event we undertake a larger number of orders as we grow our business. In order to manage our working capital effectively, we are working on aligning vendor payment terms with receivables in some cases. Our working capital requirements could increase if there is a considerable difference between the holding levels of our trade payables and our trade receivables and insufficient cash flows may affect our ability to fund our working capital requirements.

The key drivers of our working capital needs are:

- Unbilled revenue: A significant portion of our revenue remains unbilled due to pending paperwork, extending our working capital cycle until billing formalities are completed. For further details, please refer "*Risk Factors - A significant portion of our Revenue from operations is unbilled at the end of each financial period due to procedural delays in billing, primarily for government clients. This unbilled revenue, combined with delays in payments, contributes to an extended working capital cycle and could adversely impact our financial condition and results of operations.*";

- Trade receivables: A large share of our clients are government entities, leading to longer payment cycles and set forth below is a table showcasing the trade receivables and trade receivables ratio based on our standalone audited financial statements as on the nine-month period ended December 31, 2024, and last three Fiscals:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Trade receivables (in ₹ million)#	1,345.27	351.18	211.08	337.11
Trade receivables days (in days)	121*	61	65	160
Trade receivables turnover ratio	3.01*	6.01	5.65	2.28

* *Annualised*
\# *Net of expected credit loss / provision for doubtful debts*

- Inventory levels: Our foray into the solar sector requires maintaining higher inventory of solar pumps to offer farmers a variety of options, increasing inventory days compared to when we focused primarily on water solutions and set forth below is a table showcasing the inventory days based on our standalone audited financial statements as of the nine-month period ended December 31, 2024, and as at the end of the last three Fiscals:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Inventory days	49*	23	20	15

* *Annualised*

- Expected business growth: Anticipated growth in operations is expected to drive higher working capital needs to support larger contracts, increased inventory, and extended receivables cycles.

- Payment for bank guarantees: Securing projects, particularly government contracts, often requires us to furnish bank guarantees, tying up capital and impacting our working capital requirements.

Additionally, our projects and contracts often require significant working capital expenditure before milestone payments are received, particularly for new systems and plants, which may involve higher material and assembly costs. Customers may not be invoiced until delivery or later, and in some cases, payments may be inordinately delayed. Higher levels of trade receivables also increase working capital requirements, straining our financial resources.

Set forth below are the details of our Company's working capital requirements based on our standalone audited financial statements for the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022:

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net working capital requirements (₹ million)	2,465.50	1,250.82	464.83	474.74

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net working capital days	222*	216	142	226
Net working capital turnover ratio (in times)	1.64*	1.69	2.57	1.62

* *Annualised*

We meet our working capital requirements in the ordinary course of business from banks and internal accruals. Set forth below are the details of total outstanding working capital loans and working capital loans as a percentage of total assets on a consolidated basis for and as of the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022:

(in ₹ million, except percentages)

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total outstanding working capital loans	397.71	164.15	27.33	35.77
Working capital loans as % of total assets	9.42%	5.56%	2.17%	3.54%

We expect to continue to fund our working capital requirements in the future from cash generated from operations and from working capital loans; however, our inability to meet our working capital requirements through cash from our operations or borrowings, as the case may be, could have a material adverse effect on our business, results of operations and financial condition.

We place orders for raw materials and components only after receiving confirmed orders or tenders, and do not forecast or estimate demand in advance. Consequently, our production and assembly decisions are directly aligned with the receipt of our orders. However, if there are delays in procurement or fulfilment of raw materials and components, or inefficiencies in scaling up production, we may face challenges in meeting demand within the required timelines, potentially resulting in loss of business or reputational harm. While this approach minimizes the risk of surplus inventory or overproduction, any disruptions in the supply chain or delays in delivery from suppliers could adversely impact our ability to meet project deadlines. Additionally, any increase in material costs or supply shortages may further strain our operations and financial performance. Such challenges in aligning supply with confirmed demand could have an adverse effect on our business, results of operations, and financial condition.

As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our working capital in the future. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition, cash flows and results of operations. In addition, if we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, or re-negotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations and financial condition could be materially and adversely affected.

D. Order Book management and execution

As of December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, our Order Book was ₹17,231.34 million, ₹16,377.60 million, ₹3,663.42 million and ₹1,587.39 million, respectively. Our Order Book, which represents projects contracted but not yet completed, impacts future revenue. However, our Order Book does not account for changes in project scope or cost escalations, making it incomparable to actual revenue figures that reflect such adjustments. The variability in project timelines, size, and completion stages can influence reported revenues and costs, which may fluctuate from period to period based on these factors.

E. Government schemes and incentives

Our business relies on various government policies and incentives that promote wastewater treatment, water management and renewable energy. Several government programs support the development of wastewater treatment infrastructure, such as the Jal Jeevan Mission ("**Jal Jeevan**"), the Pradhan Mantri Kisan Urja Suraksha Evam Utthan

Mahabhiyan ("**PM Kusum Scheme**"), and the National Mission for Clean Ganga ("**NMCG**"), which focuses on enhancing wastewater treatment facilities in urban areas. The NMCG also encourages investments in wastewater treatment plants along the Ganges River and its tributaries. The PM Kusum Scheme has an allocated budget of US$ 6 billion till March 2026 to subsidize instalment of new solar pumps and reduce dependence on grid/diesel pumps (*Source: 1Lattice Report*). Considering our demonstrated track record of executing projects of scale, and our long-standing working experience with government clients, we believe we are well positioned to capitalize on policy driven opportunities such as PM Kusum Scheme, Jal Jeevan Mission, RDSS and NMCG. However, these schemes/policy related initiatives offer business opportunities for us but are also subject to shifts and funding limitations, which may impact our Company's future growth if the central government support is altered or reduced.

F. Customer relationships

The identity and corresponding expenses and revenues from our top suppliers and customers may vary across financial reporting periods or years, depending on the nature, duration, and timing of ongoing contracts or procurement requirements for specific projects. Our reliance on a concentrated group of suppliers and customers exposes us to potential risks in case of disruptions, pricing changes, or other adverse developments in these relationships. Summaries of our top five and top ten customers and suppliers, and their contributions to revenue and expenses for the nine-month ended December 31, 2024, and Fiscals 2024, 2023, and 2022, are as set out in the table below:

Particulars	Nine months period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Top five customers	2,835.13	92.75	1,773.54	87.47	968.84	81.12	462.09	60.16
Top ten customers	2,978.60	97.44	1,913.83	94.39	1,072.79	89.82	594.93	77.45

Particular	Nine months period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	As a % of total expense	Amount (in ₹ million)	As a % of total expense	Amount (in ₹ million)	As a % of total expense	Amount (in ₹ million)	As a % of total expense
Top five suppliers	980.21	46.06	754.04	55.36	208.43	24.36	212.03	30.14
Top ten suppliers	1,288.26	60.54	920.80	67.61	259.80	30.37	250.35	35.58

Given this dependency on key suppliers and customers, any disruptions, changes in demand, or reductions in business volumes from these relationships could significantly impact our results of operations, financial condition, and overall business prospects.

Key performance indicators

(In ₹ million, unless indicated otherwise)

Particulars	Unit	As at and for the nine-month period ended December 31, 2024	As at and for Fiscal		
			2024	2023	2022
Operating KPIs					
Total Order Book(1)	₹ million	17,231.34	16,377.60	3,663.42	1,587.39
Order Book Split					
A) Water Solutions	₹ million	4,870.71	4,759.56	3,663.42	1,587.39
B) Solar Agriculture Solutions	₹ million	7,545.82	8,949.49	-	-
C) IoT Solutions	₹ million	4,814.81	2,668.56	-	-
Financial KPIs					
Revenue from Operations(2)	₹ million	3,056.79	2,027.49	1,194.34	768.14
Revenue Growth(3)	%	NA	69.76%	55.48%	NA
Revenue from Operations Split					
A) Water Solutions	₹ million	910.91	1,605.41	1,194.34	768.14
B) Solar Agriculture Solutions	₹ million	1,848.48	334.72	-	-
C) IoT Solutions	₹ million	297.40	87.36	-	-
EBITDA(4)	₹ million	971.49	704.97	364.94	86.99
EBITDA Margin(5)	%	31.78%	34.77%	30.56%	11.32%

Particulars	Unit	As at and for the nine-month period ended December 31, 2024	As at and for Fiscal		
			2024	2023	2022
PAT[(6)]	₹ million	715.06	492.80	250.21	86.75
PAT Margin[(7)]	%	23.39%	24.31%	20.95%	11.29%
Return on Capital Employed*[(8)]	%	26.96%	27.22%	36.66%	9.81%
Return on Equity*[(9)]	%	23.39%	21.04%	26.85%	12.72%
Cashflow from Operations[(10)]	₹ million	(1,162.17)	(219.18)	317.77	0.96
Net Debt to EBITDA Ratio*[(11)]	In times	0.30	(1.32)	(0.67)	0.48
Trade Receivable Days*[(12)]	In days	162	52	53	140
Inventory Days*[(13)]	In days	74	37	20	15
Cash Conversion Cycle*[(14)]	In days	186	38	11	98
Total Borrowings[(15)]	₹ million	459.29	186.46	43.46	167.62
Debt to equity ratio*[(16)]	In times	0.15	0.08	0.05	0.25

* *Not annualised for nine-months period ended December 31, 2024*

Notes: -

1. *Order book comprises anticipated revenue from the unexecuted portions of existing contracts (including signed contracts for which all pre-conditions for entry into force have been met and letters of acceptance issued by the customer prior to execution of the final contract).*
2. *Revenue from Operations is as per the Restated Consolidated Financial Statements for the relevant periods / year.*
3. *Revenue growth (%) is calculated as a percentage of Revenue from Operations of the relevant year/ period minus Revenue from Operations of the preceding year/ period, divided by Revenue from Operations of the preceding year/ period*
4. *EBITDA is calculated as profit before exceptional items and tax minus other income (including share of profit of associate) plus finance costs, depreciation and amortisation*
5. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations*
6. *PAT means profit for the year/ period as appearing in the Restated Consolidated Financial Statements for the relevant periods / year*
7. *PAT Margin (%) is calculated as Profit for the year/ period as a percentage of Revenue from Operations*
8. *Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of Total Equity and Total Borrowings. EBIT is calculated as EBITDA minus depreciation and amortization*
9. *Return on Equity is calculated as profit for the year/ period divided by total equity*
10. *Net cash generated from operating activities for the year/ period as per the Restated Consolidated Financial Statements for the relevant periods / year.*
11. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings minus total of cash and cash equivalents, bank balances other than cash and cash equivalents and current investments*
12. *Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days.*
13. *Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days.*
14. *Cash conversion cycle is calculated as inventory days plus trade receivable days minus Trade payable days. Inventory days are calculated as Inventory divided by Revenue from Operations multiplied by 365 days. Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 365 days. Trade payable days are calculated as Trade payable divided by Revenue from operations multiplied by 365 days*
15. *Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*
16. *Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non-current borrowings, current borrowings and lease liabilities*

Significant Accounting Policies

The significant accounting policies adopted in the preparation of our Financial Statements are set forth below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1. Material accounting policies

A. Basis of preparation and statement of compliance

The Restated Consolidated Financial Statements of the Group which comprise the Restated Consolidated Statement of Assets and Liabilities as at 31 December 2024, 31 March 2024, 31 March 2023 and 31 March 2022 and the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the nine months period ended 31 December 2024 and for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, the summary of material accounting policies, and other explanatory information (together referred to as '**Restated Consolidated Financial Statements**') has been prepared in accordance with the 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) and presentation requirements of Division II of Schedule III to the Act ("**Ind AS compliant Schedule III**"), as applicable to the Group.

The Restated Consolidated Financial Statements has been prepared by the management of the Group for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**"), Red Herring Prospectus ("**RHP**"), and Prospectus (together, the "**Offer Documents**") to be filed by the Company with the Securities and Exchange Board of India ('**SEBI'**), Registrar of Companies, Mumbai ("**ROC**"), BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**") and / or any other regulatory or statutory authority in connection with proposed Initial Public Offering of its Equity Shares ("**IPO**"), in accordance with the requirements of:

- Section 26 of Part I of Chapter III of the Act,

- Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "**SEBI ICDR Regulations**") issued by SEBI, and

- The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

The Restated Consolidated Financial Statements has been extracted by the Management from:

- Audited Special Purpose Consolidated Interim Financial Statements of the Group as at and for the nine months ended 31 December 2024 prepared in accordance with the recognition and measurement principles under Ind AS 34 "Interim Financial Reporting" as prescribed under Section 133 of the Act as amended and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, which have been approved by the Board of Directors at their meetings held on February 6, 2025.

- Audited consolidated financial statements of the Group as at and for the year ended 31 March 2024, prepared in accordance with the Ind 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 presentation requirements of Division II of Schedule III to the Companies Act, 2013, which have been approved by the Board of Directors at their meetings held on 24 September 2024.

- Audited special purpose consolidated IndAS financial statements of the Group as at and for the years ended 31 March 2023 and 31 March 2022, prepared in accordance with the Ind 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 presentation requirements of Division II of Schedule III to the Companies Act, 2013, which have been approved by the Board of Directors at their meetings held on February 6, 2025. The Group's general purpose statutory financial statements up to and for the year ended 31 March 2023 and 31 March 2022 were prepared in accordance with the Companies (Accounting Standards) Rules, 2021, notified under Section 133 of the Act and other relevant provisions of the Act (Indian GAAP).

Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, the Company voluntarily adopted March 31, 2024, as reporting date for first time adoption of Ind-AS – notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and consequently April 01, 2022, is the transition date for preparation of its statutory financial statements as at and for the year ended March 31, 2024. Hence, the financial statements as at and for the year ended March 31, 2024, were the first financials, prepared in accordance with Ind-AS. Upto the financial year ended March 31, 2023, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with Companies (Accounting Standards) Rules, 2021 ("Indian GAAP" or "Previous GAAP") due to which the special purpose consolidated Ind AS financial statements are prepared. Further, these special purpose Ind AS financial statements are not the statutory financial statements under the Act.

The special purpose consolidated financial statements as at and for the year ended March 31, 2023 and March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (1 April 2022) and as per the presentation, accounting policies and grouping/classifications including Revised Schedule III disclosures followed as at and for nine months period ended 31 December 2024.

The special purpose consolidated interim financial statements and the special purpose consolidated Ind AS financial statements referred above have been prepared solely for the purpose of preparation of Restated Consolidated Financial Statements for inclusion in DRHP, RHP and Prospectus in relation to proposed IPO. Hence, this special purpose consolidated interim financial statements and the special purpose consolidated Ind AS financial statements are not suitable for any other purpose other than for the purpose of preparation of Restated Consolidated Financial Statements.

The Restated Consolidated Financial Statements has been approved for issue in accordance with the resolution of the Board of Directors on February 06, 2025.

B. Summary of material accounting policies

The Restated Consolidated Financial Statements of the Group have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments, which have been measured at fair value. The accounting policies are consistently applied by the Group to all the period mentioned in the Restated Consolidated Financial Statements.

a. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle

(ii) Held primarily for the purpose of trading

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle

(ii) It is held primarily for the purpose of trading

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b. Basis of consolidation

The Restated Consolidated Financial Statements comprise the financial information of the Company and its subsidiaries (including “entity under management control” and hereinafter referred as the subsidiary) as at and for the periods/years ended on 31 December 2024, 31 March 2024, 31 March 2023 and 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

The contractual arrangement with the other vote holders of the investee

- Rights arising from other contractual arrangements
- The Group’s voting rights and potential voting rights
- The size of the group’s holding of voting rights relative to the size and dispersion of the holdings
- of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the Restated Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The Restated Consolidated Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group. When the end of the reporting period of the Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Company to enable the Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

1. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Group. For this purpose, income and expenses of the subsidiary and entity under management control are based on the amounts of the assets and liabilities recognised in the Restated Consolidated Financial Statements at the acquisition date.

2. Offset (eliminate) the carrying amount of the Company's investment in each subsidiary, entity under management control and the Company's portion of equity/partner contribution of each subsidiary and entity under management control.

3. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions

4. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost

- Derecognises the carrying amount of any noncontrolling interests

- Derecognises the cumulative translation differences recorded in equity

- Recognises the fair value of the consideration received

- Recognises the fair value of any investment retained

- Recognises any surplus or deficit in profit or loss

- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners

- Reclassifies the Company's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Details of Group companies/entities included in Restated Consolidated Financial Statements are as under:

S. No.	Name	Country	As at			
			31 December 2024	31 March 2024	31 March 2023	31 March 2022
1	Rite Water (India) Private Limited	India	- *	100%	100%	100%
2	Rite Water Lake City LLP (a Limited Liability Partnership and referred herein as a Subsidiary basis control as per Ind AS 110) – profit share	India	50%	50%	50%	50%
3	Clintech Equipments and Solutions Private Limited	India	100%	100%	100%	NA

* *The Company has sold its equity interest in Rite Water (India) Private Limited w.e.f. 23 July 2024 to its promoters.*

c. Foreign currencies

The Group's financial statements are presented in Indian Rupees (Rs./ ₹), which is also its functional currency.

Transactions and balances

Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or 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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI (Other Comprehensive Income), or statement of profit or loss are also recognised in OCI or profit or loss, respectively).

d. Fair value measurement

The Group measures financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities whether transfers have occurred between levels in the hierarchy by re-assessing that are recognised in the financial statements on a recurring basis, the Group determines categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management determines the policies and procedures for both recurring fair value measurement as well as for non-recurring measurement.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

e. Revenue from contract with customer

Group earns revenue from sale of goods (including under work contracts), sale of water, operation and maintenance contract (including comprehensive maintenance contracts) and sale of goods manufactured / assembled. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation and recognized as follows:

- Revenue from contracts with customers for sale of goods (including under works contract and sale of water) is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods as per the contract. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer. Revenue from Water sales is recognized on the basis of monthly collection report send by the various site in charge.

- Revenue from contracts with customers under operations and maintenance contracts is recognised over the time as control of maintenance services are transferred to the customer at an amount that reflects the consideration agreed upfront.

- Any modifications to these contracts are assessed to determine whether they represent a separate performance obligation or a change to the existing obligation. Adjustments to revenue are made prospectively.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 2.2.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts provide customers with a right of return the goods within a specified period.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Group performs its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

f. Other income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

g. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and Services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and Services tax paid, except:

(i) When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

(ii) When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

h. Property, plant and equipment (including Capital work in progress)

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. It comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of schedule II of the Companies Act 2013.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The residual values are not more than 5% of the original cost of the item of Property, Plant and Equipment. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

j. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

k. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in, first out method.

(ii) Work in progress and Finished goods: cost includes cost of direct materials and labour, and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l. Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on future cash flows after considering economic condition and estimated future operating results which are prepared separately for each of the Group's CGU.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

m. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) because of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n. Retirement and other employee benefits

Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

Post-Employment Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Group operates a defined benefit gratuity plan in India, which is currently unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the liability ceiling, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

(ii) Net interest expense

o. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

(i) Financial assets at amortised cost (debt instruments)

(ii) Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

(iii) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

(iv) Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Group's financial assets at amortised cost includes trade receivables and other receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes mutual fund investments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

(i) The rights to receive cash flows from the asset have expired, or

(ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit loss is recognised. Loss allowance of equal to the lifetime expected credit losses is recognised if the credit risk of the financial asset has significantly increased since initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, a Group is required to consider:

(i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Group is required to use the remaining contractual term of the financial instrument

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of profit and loss. This amount is reflected in a separate line in the Statement of profit and loss as an impairment gain or loss. The balance sheet presentation is described below:

Financial assets measured as at amortized cost and contractual revenue receivables. ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credits / bank overdrafts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the statement of cash flows, cash and cash equivalents consist of cash, balance with bank in current accounts and balance with banks in short-term deposits accounts, as defined above are considered an integral part of the Group's cash management.

q. Segment Reporting

Operating segments are identified and reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company have been identified as the chief operating decision maker of the Group.

r. Contingent liability

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

s. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of Company by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t. Statement of cash flows

Cash flows from operating activities are reported using the indirect method set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

For the purposes of Restated Consolidated Statement of Cash Flows, cash and cash equivalents comprise the total cash and cash equivalents as disclosed in note 10 adjusted for Bank overdraft repayable on demand.

u. Exceptional items

The Group considers exceptional items to be those which derive from events or transactions which are significant for separate disclosure by virtue of their size or incidence for the user to obtain a proper understanding of the Group's financial performance. These items include, but are not limited to, impairment charges, restructuring costs and profits and losses on disposal of subsidiaries, contingent consideration and other one-off items which meet this definition. To provide a better understanding of the underlying results of the period, exceptional items are reported separately in the Restated Consolidated Statement of Profit and Loss.

v. Events occurring after the balance sheet date

Based on the nature of the event, the group identifies the events occurring between the balance sheet date and the date on which the consolidated financial statements are approved as 'Adjusting Event' and 'Non-adjusting event'. Adjustments to assets, liabilities, expenditure and income, equity and/or disclosures are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date or because of statutory requirements or because of their special nature. For non-adjusting events, the group may provide a disclosure in the restated consolidated financial statements considering the nature of the transaction.

w. Share issue expenditure

Share issue expenditure is charged to securities premium account on completion of respective transactions.

x. 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. For the nine months ended 31 December 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group or may have material impact on the reporting amounts.

1.2. Material accounting policy information

Use of significant judgements, estimates and assumptions

The preparation of the Group's financial statements as per Ind AS requires management to make judgements, 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 periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital **management**
- Financial risk management objectives and **policies**
- Sensitivity analyses disclosures

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year/period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected. Key source of estimation uncertainty as at the date of Restated Consolidated Financial Statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of the following:

Revenue from contract with customer – recoverability of consideration

The Group uses judgement to determine when control of its goods, passes to the customer and there is no risk of its collectability. This is assessed with reference to indicators of control, including the risks and rewards of ownership and legal title with reference to the underlying terms of the customer contract.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis.

Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed flow rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed flow rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair value of financial assets and liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using net asset value published by fund house and valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets if available, otherwise, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instrument.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates applicable to existing borrowings).

Principal Components of Statement of Profit and Loss

Total revenue

Our total revenue comprises revenue from operations and other income. We generate majority of our revenue from the engineering, procurement and construction ("**EPC**") projects.

Revenue from operations

Our revenue from operations primarily includes revenue from work contracts and services.

Other income

Our other income primarily includes (i) interest income on fixed deposits, (ii) unwinding of lease deposits, (iii) security deposits, (iv) fair valuation gain on investments, (v) excess warranty provision, (vi) income from advertisement, and (vii) miscellaneous income, and (viii) gain on sale of investment in our subsidiary.

Expenses

Our total expenses include the below mentioned expenses:

Cost of material consumed

Our cost of material consumed represents amount incurred towards material costs, which comprises raw materials such as SMPS, invertor and battery cells power supply units, dosing pumps, plastic tanks, solar pumps, and electro chlorination related materials.

Purchase of stock in trade

Our purchase of stock in trade represents the net increase / decrease in the purchases made by Rite Water Lake City LLP for items like bottles, caps, labels, consumables and other payments for testing of water.

Changes in inventories of finished goods

Our cost of inventories represents the net increase / decrease in the inventories which constitutes raw material purchased in manufacturing of water related products and components like submersible pumps, FRV tanks, electric panels, modules, pipes, flow meters, supply items required for installation of solar pumps, electro-chlorination units and IoT works and consumables purchased to support our factory at Nagpur and all other three verticals for their onsite activities.

Employee benefits expense

Our employee benefits expense primarily include (i) salaries, wages and bonus, (ii) contribution to provident and other funds, (iii) gratuity expenses, (iv) staff welfare expenses, and (v) remuneration to director.

Finance costs

Our finance costs primarily include (i) bank charges, (ii) interest expense on borrowings, (iii) interest on lease liability, (iv) interest on income tax, and (v) bank guarantee charges.

Depreciation and Amortization expense

Our depreciation and amortization primarily include (i) depreciation on plant, property and equipment, (ii) depreciation on lease liability, (iii) amortization on rights-of-use assets and (iv) amortization of intangibles.

Other Expenses

Our other expenses primarily include (i) site material, maintenance and manufacturing expenses, (ii) tender processing charges, (iii) electricity & fuel expenses, (iv) royalty expense, (v) liquidated damages deduction, (vi) warranty expenses, (vii) advertisement expenses, (viii) bad debts and expected credit loss, (ix) rent, (x) transport, freight and carting, (xi) legal and professional expenses, (xii) commission & brokerage expenses, (xiii) repairs and maintenance, (xiv) insurance expenses, (xv) payment to auditors, (xvi) rates and taxes, (xvii) travelling and conveyance, (xviii) CSR expenditure, (xix) amortisation of security deposit, (xx) installation expenses, (xxi) software expenses, (xxii) infrastructure cost and (xxiii) miscellaneous expenses.

Tax Expenses

Our tax expenses primarily include current tax, earlier year tax and deferred tax.

Profit after tax for the period

Profit after tax for the period includes the profit for the year after tax expenses.

Results of Operations Based on Our Financial Statements

The following table sets forth select financial data from our statement of profit and loss for the nine months ended December 31, 2024, Fiscals 2024, 2023 and 2022, the components of which are also expressed as a percentage of total income for such periods.

Particulars	As at and for the nine months ended December 31, 2024		As at and for Fiscal 2024		As at and for Fiscal 2023		As at and for Fiscal 2022	
	(In ₹ million)	(As a % of total income)	(In ₹ million)	(As a % of total income)	(In ₹ million)	(As a % of total income)	(In ₹ million)	(As a % of total income)
Revenue from operation	3,056.79	98.72	2027.49	98.02	1194.34	98.23	768.14	97.41
Other income	39.69	1.28	40.94	1.98	21.52	1.77	20.45	2.59

Particulars	As at and for the nine months ended December 31, 2024		As at and for Fiscal 2024		As at and for Fiscal 2023		As at and for Fiscal 2022	
	(In ₹ million)	(As a % of total income)	(In ₹ million)	(As a % of total income)	(In ₹ million)	(As a % of total income)	(In ₹ million)	(As a % of total income)
Total Income	**3,096.48**	**100.00**	**2,068.43**	**100.00**	**1215.86**	**100.00**	**788.59**	**100.00**
Cost of raw material consumed	1,345.78	43.46	703.34	34.00	348.66	28.68	227.36	28.83
Purchase of stock in trade	0.69	0.02	0.19	0.01	0.35	0.03	0.06	0.01
Changes in inventories of finished goods	-	-	7.70	0.37	(7.70)	(0.63)	15.18	1.92
Employee benefit expense	117.08	3.78	111.50	5.39	92.53	7.61	47.54	6.03
Finance cost	19.29	0.62	22.67	1.10	18.69	1.54	18.73	2.38
Depreciation and amortisation expense	23.53	0.76	16.79	0.81	7.43	0.61	3.64	0.46
Other expenses	621.75	20.08	499.79	24.16	395.56	32.53	391.01	49.58
Total Expenses	**2128.12**	68.73	**1361.98**	**65.85**	**855.52**	**70.36**	**703.52**	**89.21**
Current and Deferred Tax	253.30	8.18	213.65	10.33	110.13	9.06	(1.68)	(0.21)
Profit for the period	**715.06**	**23.09**	**492.80**	**23.82**	**250.21**	**20.58**	**86.75**	**11.00**

Nine months period ended December 31, 2024

Total revenue

Our total revenue for nine months period ended December 31, 2024, was ₹ 3,096.48 million.

Revenue from operations

Our revenue from operations comprising revenue from work contracts and services for the nine months period ended December 31, 2024 was ₹ 3,056.79 and primarily constituted revenue from work contracts and revenue from services pertaining to solar agricultural solutions (solar pumps), IoT solutions and electro chlorinator projects in the water space.

Other income

Our other income was ₹ 39.69 million for nine months period ended December 31, 2024 and primarily constituted interest on fixed deposits, unwinding of lease deposits, security deposits and fair valuation gains on investments, gain on sale of investment in subsidiary.

Expenses

Our total expenses were ₹ 2,128.12 million for nine months period ended December 31, 2024, on account of the factors discussed below.

Cost of material consumed

Our cost of material consumed for nine months period ended December 31, 2024 was ₹ 1,346.47 million, primarily comprising of raw material, and purchases of components from OEMs for our EPC projects in solar, water and IoT space, along with balance of supplies items including consumable items.

Changes in inventories of finished goods

We did not incur any expenses relating to changes in inventories of finished goods for the nine months period ended December 31, 2024.

Employee Benefits Expense

Our employee benefits expense was ₹ 117.08 million for the nine months period ended December 31, 2024, primarily comprising salaries to staff, director's remuneration, wages, bonus and other allowances, staff welfare expenses and contribution to provident and other funds.

Finance Costs

Our finance costs expense was ₹ 19.29 million for the nine months period ended December 31, 2024, primarily comprising of bank guarantee charges, interest to banks, interest on lease liability and bank charges.

Depreciation and amortization expense

Our depreciation and amortization expense were ₹ 23.53 million for nine months period ended December 31, 2024, primarily due to depreciation provided on property, plant and equipment and amortization on intangible assets.

Other Expenses

Our other expense was to ₹ 621.75 million for nine months period ended December 31, 2024, primarily due to site material, maintenance and site manufacturing expenses, electricity and fuel, rent, rates and taxes, transport, travel and conveyance, legal & professional, commission & brokerage, insurance and warranty provision, bad debt provisions and amortisation of security deposits.

Tax Expense

Our tax expenses for the nine months period ended December 31, 2024, were ₹ 253.30 million, comprising tax relating to current period of ₹ 272.82 million and deferred tax of ₹ (19.52) million.

Profit after tax for the period

As a result of the foregoing factors, our profit after tax for the period was ₹ 715.06 million for nine months period ended December 31, 2024.

COMPARISON OF THE RESULTS OF OPERATIONS

Fiscal 2024 Compared to Fiscal 2023

Total revenue

Our total revenue increased by 70.12% to ₹ 2,068.43 million for Fiscal 2024 from ₹ 1,215.86 million for Fiscal 2023, on account of the factors discussed below.

Revenue from operations

Our revenue from operations comprising revenue from work contracts and services increased by 69.76% to ₹ 2,027.49 million for Fiscal 2024 from ₹ 1,194.34 million for Fiscal 2023, primarily due to (i) accelerated execution of work related to electro-chlorination projects, awarded in Fiscal 2022 and 2023 out of which work of worth ₹ 1,233.55 million was executed in Fiscal 2024, (ii) an order for supply of solar pumps worth ₹ 3,510 million out of which ₹ 265.53 million was executed during Fiscal 2024; and consequently recognised as revenue from operations.

Other income

Our other income increased by 90.24% to ₹ 40.94 million for Fiscal 2024 from ₹ 21.52 million for Fiscal 2023, primarily due to interest earned on fixed deposits and short-term capital gains earned by investment of funds in fixed deposits and liquid mutual funds, which were received from private placement of CCPS dated November 7, 2023 and of equity shares dated February 7, 2024.

Expenses

Our total expenses increased by 59.20% to ₹ 1,361.98 million for Fiscal 2024 from ₹ 855.52 million for Fiscal 2023, on account of the factors discussed below.

Cost of material consumed

Our material consumed increased by 101.73% to ₹ 703.34 million for Fiscal 2024 from ₹ 348.66 million for Fiscal 2023, primarily due to an increase in our revenue from operations and an increase in execution of solar pumps projects wherein material cost is higher compared to other projects.

Purchase of stock in trade

Our purchase of stock in trade decreased by 45.71% to ₹ 0.19 million for Fiscal 2024 from ₹ 0.35 million for Fiscal 2023, primarily due to lesser purchases made by our Subsidiary, for materials such as plastic bottles, plastic jars, plastic caps and other packaging materials, and water testing chemicals.

Changes in inventories of finished goods

Our cost of changes in inventories of finished goods increased by 200.00% to ₹ 7.70 million for Fiscal 2024 from ₹ (7.70) million for Fiscal 2023, primarily due to increased Order Book which led to increase in inventory holding levels.

Employee Benefits Expense

Our employee benefits expense increased by 20.50% to ₹ 111.50 million for Fiscal 2024 from ₹ 92.53 million for Fiscal 2023, primarily due to increase in number of employees from 117 in Fiscal 2023 to 188 in Fiscal 2024.

Finance Costs

Our finance costs increased by 21.29% to ₹ 22.67 million for Fiscal 2024 from ₹ 18.69 million for Fiscal 2023, primarily due to increase in interest paid to banks for borrowings, and increased bank guarantee charges and letters of credit charges due to increase in Order Book and purchases.

Depreciation and Amortization expense

Our depreciation and amortization expense increased by 125.98% to ₹ 16.79 million for Fiscal 2024 from ₹ 7.43 million for Fiscal 2023, primarily due to increase in depreciation of the factory and impairment attributable to non-operational assets of our erstwhile subsidiary i.e. Rite Water Lakecity LLP.

Other Expenses

Our other expenses increased by 26.35% to ₹ 499.79 million for Fiscal 2024 from ₹ 395.56 million for Fiscal 2023 primarily due to an increase in project related costs attributable to our electro-chlorination projects such as costs for site material, maintenance and manufacturing expenses, electricity and fuel charges, royalty expenses. Further, there was an additional provision for bad debt due to expected credit loss calculated as per the Ind AS requirements.

Tax Expense

Our tax expense increased by 94.00% to ₹ 213.65 million for Fiscal 2024 from ₹ 110.13 million for Fiscal 2023, primarily due to an increase in the profit of our Company which increased by 96.95%.

Profit after tax for the period

As a result of the foregoing factors, our profit after tax for the period increased by 96.95% to ₹ 492.80 million for Fiscal 2024 from ₹ 250.21 million for Fiscal 2023.

Fiscal 2023 Compared to Fiscal 2022

Total revenue

Our total revenue increased by 54.18% to ₹ 1,215.86 million for Fiscal 2023 from ₹ 788.59 million for Fiscal 2022, on account of the factors discussed below.

Revenue from operations

Our revenue from operations comprising revenue from work contracts and services increased by 55.48% to ₹ 1,194.34 million for Fiscal 2023 from ₹ 768.14 million for Fiscal 2022, primarily due to award of work orders worth ₹ 2,495.11 million related to electro-chlorination projects in Fiscal 2023 out of which projects worth ₹ 652 million were executed in the Fiscal 2023.

Other income

Our other income increased by 5.23% to ₹ 21.52 million for Fiscal 2023 from ₹ 20.45 million for Fiscal 2022 due to increase in interest on security deposits owing to an increase in security deposits.

Expenses

Our total expenses increased by 21.61% to ₹ 855.52 million for Fiscal 2023 from ₹ 703.52 million for Fiscal 2022, on account of the factors discussed below.

Cost of material consumed

Our cost of material consumed increased by 53.35% to ₹ 348.66 million for Fiscal 2023 from ₹ 227.36 million for Fiscal 2022, primarily due to increase in our revenue from operations, which was attributable to increase in work orders, which also led to increased procurement of materials.

Purchase of stock in trade

Our purchase of stock in trade increased by 483.33% to ₹ 0.35 million for Fiscal 2023 from ₹ 0.06 million for Fiscal 2022, primarily due to purchases made by our Subsidiaries of materials such as plastic bottles, plastic jars, plastic caps and other packaging materials, and water testing chemicals.

Changes in inventories of finished goods

Our cost of changes in inventories of finished goods decreased by 150.72% to ₹ (7.70) million for Fiscal 2023 from ₹ 15.18 million for Fiscal 2022, primarily due to higher levels of closing stock, at the end of the Fiscal 2023.

Employee Benefits Expense

Our employee benefits expense increased by 94.64% to ₹ 92.53 million for Fiscal 2023 from ₹ 47.54 million for Fiscal 2022, primarily due to increase in director remuneration from ₹11.80 million in Fiscal 2022 to ₹44.80 million in Fiscal 2023.

Finance Costs

Our finance costs decreased marginally by 0.21% to ₹ 18.69 million for Fiscal 2023 from ₹ 18.73 million for Fiscal 2022. Despite increase in overall business, the decrease in finance cost is attributable to reduction in bank charges pertaining to issuance of bank guarantees and letters of credit, due to change of lenders of our Company as the new lender, being HDFC Bank Limited, offered us lower interest rate and the commission charged for issuing letter of credit, and bank guarantees was reduced as compared to the previous as well.

Depreciation and Amortization expense

Our depreciation and amortization expense increased by 104.12% to ₹ 7.43 million for Fiscal 2023 from ₹ 3.64 million for Fiscal 2022, primarily due to increase in purchase of vehicles which led to increase in depreciation.

Other Expenses

Our other expenses marginally increased by 1.16% to ₹ 395.56 million for Fiscal 2023 from ₹ 391.01 million for Fiscal 2022. Despite an increase in revenue from operations by 55.48% during the corresponding period, there was a only marginal increase in other costs due to efficient control on site material, maintenance and manufacturing expenses, and lesser provisions for bad and doubtful debts.

Tax Expense

Our tax expense increased by 6,655.36% to ₹ 110.13 million for Fiscal 2023 from ₹ (1.68) million for Fiscal 2022, primarily due to increase in profit by 188.43%, and increase in tax in Fiscal 2022 as our Company was claiming deduction under section 80IA of the Income Tax Act while in Fiscal 2023 the said deduction was not applicable in terms of the Income Tax Act, 1961, which lead to increase in tax expense.

Profit after tax for the period

As a result of the foregoing factors, our profit after tax for the period increased by 188.43% to ₹ 250.21 million for Fiscal 2023 from ₹ 86.75 million for Fiscal 2022.

Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital needs for our operations. We have met these requirements through cash flows from operations, equity infusions from shareholders and borrowings.

Our Company received the following credit rating:

Rating Agency	Products	Credit Rating	Date
Acuité Ratings & Research Limited	Long term rating	ACUITE A	August 2, 2024
	Short term rating	ACUITE A1	
Acuité Ratings & Research Limited	Long term rating	ACUITE A-	May 5, 2023
	Short term rating	ACUITE A2+	
Acuité Ratings & Research Limited	Long term rating	ACUITE A-	August 1, 2022
	Short term rating	ACUITE A2+	

Cash Flows Based on Financial Statements

The table below summarizes the statement of cash flows, as per our cash flow statements, for the periods indicated:

	Nine months period ended December 31, 2024	Fiscal		
		2024	2023	2022
	(in ₹ million)	*(in ₹ million)*		
Net cash generated from / (used in) operating activities	(1,162.17)	(219.18)	317.77	0.96
Net cash generated from / (used in) investing activities	464.20	(562.99)	41.54	58.83
Net cash generated from / (used in) financing activities	199.24	1026.21	(146.09)	(6.99)
Cash and cash equivalents at the end of the year	21.22	519.97	275.93	62.71

Operating Activities

Nine months ended December 31, 2024

Our net cash generated / (used) from operating activities was ₹(1,162.17) million in nine months ended December 31, 2024. Our operating profit before working capital change was ₹ 1,094.72 million in nine months ended December 31, 2024. The movements in working capital in nine months ended December 31, 2024 primarily consisted of (i) increase in inventories of ₹417.65 million primarily due to increase in raw material stock for solar vertical as well as for IoT , (ii) increase in trade receivables of ₹1,193.54 million primarily due to increase in receivables of solar vertical, (iii) increase in other assets of ₹119.86 million primarily due to increase in GST receivable, advances to suppliers and pre-paid expenses , (iv) increase in other financial assets of ₹534.71 million primarily due to increase in margin money deposits, contract assets and lease deposits, (v) increase in trade payables of ₹139.66 million primarily due to increased outstanding due to higher purchases, (vi) increase in provisions of ₹11.45 million primarily due to increase in provisions for warranties, (vii) decrease in other liabilities of ₹29.90 million primarily due to decrease in TDS payable and GST payable and (viii) increase in other financial liabilities of ₹27.61 million primarily due to increase in employees liabilities.

Fiscal 2024

Our net cash used in operating activities was ₹ (219.18) million in Fiscal 2024. Our operating profit before working capital change was ₹ 742.34 million in Fiscal 2024. The movements in working capital in Fiscal 2024 primarily consisted of (i) increase in inventories of ₹ 140.19 million primarily due to increased Order Book which led to increase in inventory holding, (ii) increase in trade receivables of ₹ 142.07 million primarily due to increased revenue from operations, (iii) increase in other assets of ₹ 69.82 million primarily due to increase in advances made to suppliers, (iv) increase in other financial assets of ₹ 581.54 million primarily due to increase in security deposits, margin money deposits and contract assets (unbilled revenue), (v) increase in trade payables of ₹ 79.42 million primarily due to increase in procurement of material and other expenses, (vi) decrease in provisions of ₹ 0.31 million primarily due to decrease in provision for warrantees, (vii) increase in other liabilities of ₹ 14.06 million primarily due to GST and TDS payable and (viii) decrease in other financial liabilities of ₹ 9.33 million primarily due to decrease in remuneration payable to directors wherein performance incentive was paid in same year.

Fiscal 2023

Our net cash generated from operating activities was ₹ 317.77 million in Fiscal 2023. Our operating profit before working capital change was ₹ 385.94 million in Fiscal 2023. The movements in working capital in Fiscal 2023 primarily consisted of (i) increase in inventories of ₹ 35.03 million primarily due to increased Order Book which leads to increase in inventory holding, (ii) decrease in trade receivables of ₹ 106.55 million primarily due to recoveries from customers pertaining to Fiscal 2022, (iii) decrease in other assets of ₹ 32.11 million primarily due to decrease in GST receivable and advance to suppliers, (iv) increase in other financial assets of ₹ 232.53 million primarily due to increase in security deposits, margin money deposits and contract assets (unbilled revenue), (v) increase in trade payables of ₹ 78.64 million primarily due to increase in procurement of material, (vi) increase in provisions of ₹ 13.19 million primarily due to increase in provision for warrantees, (vii) increase in other liabilities of ₹ 15.12 million primarily due to increase in TDS payable and (viii) increase in other financial liabilities of ₹ 16.74 million primarily due to increase in directors remuneration and incentives payable.

Fiscal 2022

Our net cash generated from operating activities was ₹ 0.96 million in Fiscal 2022. Our operating profit before working capital change was ₹ 156.28 million in Fiscal 2022. The movements in working capital in Fiscal 2022 primarily consisted of (i) increase in inventories of ₹ 7.01 million primarily due to increase in Order Book and higher purchases, (ii) increase in trade receivables of ₹ 145.37 million primarily due to higher sales clocked in the last quarter and there were some receivables pending for receipt of funds in the government department for O&M activities, (iii) increase in other assets of ₹ 28.89 million primarily due to increase in GST receivables, prepaid security deposits and advances to suppliers, (iv) decrease in other financial assets of ₹ 14.07 million primarily due to reduction in unbilled revenue and also due to the effect of impairment allowance due to adoption of IndAS from the Fiscal 2022, (v) increase in trade payables of ₹31.29 million primarily due to increase in procurement of material (vi) increase in provisions of ₹1.65 million primarily due to provision made for warranties and labor cess and gratuity, (vii) decrease in other liabilities of ₹3.16 million primarily due to reduction in GST, TDS and TCS payable and (viii) increase in other financial liabilities of ₹8.58 million primarily due to increase in provision made for unsecured borrowings repayment, cash credit drawl and outstanding inland letter of credit.

Investing Activities

Nine months ended December 31, 2024

Our net cash generated / (used) in investing activities was ₹464.20 million in nine months ended December 31, 2024. This was primarily due to payment for purchase of fixed assets including intangible assets of ₹11.32 million, purchase of mutual fund investments of ₹209.20 million, encashment of fixed deposits with remaining maturity of more than 3 months of ₹246.58 million, proceeds from sale of investment of ₹ 0.03 million and interest income on deposits of ₹19.71 million.

Fiscal 2024

Our net cash used in investing activities was ₹ 562.99 million in Fiscal 2024. This was primarily due to payment for purchase of fixed assets including intangible assets of ₹ 3.82 million, purchase of mutual fund investments of ₹ 253.15 million, investments in fixed deposits with remaining maturity of more than 3 months of ₹ 329.22 million and interest income on deposits of ₹ 23.20 million.

Fiscal 2023

Our net cash generated from investing activities was ₹ 41.54 million in Fiscal 2023. This was primarily due to payment for purchase of fixed assets including intangible assets of ₹ 12.95 million, sale of proceeds of fixed assets of ₹ 0.18 million, purchase of mutual fund investments of ₹ 2.71 million, encashment of fixed deposits with remaining maturity of more than 3 months of ₹ 50.22 million and interest income on deposits of ₹ 6.80 million.

Fiscal 2022

Our net cash generated from investing activities was ₹ 58.83 million in Fiscal 2022. This was primarily due to payment for purchase of fixed assets including intangible assets of ₹ 1.69 million, sale proceeds of fixed assets of ₹ 0.03 million, encashment of fixed deposits with remaining maturity of more than 3 months of ₹ 53.00 million and interest income on deposits of ₹ 7.49 million.

Financing Activities

Nine months ended December 31, 2024

Our net cash generated / (used) in financing activities was ₹199.24 million in the nine months ended December 31, 2024. This was primarily due to proceeds from short term borrowings of ₹232.10 million, long term borrowings of ₹0.01 million, payment of lease rentals of ₹17.58 million and finance cost of ₹15.29 million.

Fiscal 2024

Our net cash generated from financing activities was ₹ 1,026.21 million in Fiscal 2024. This was primarily due to proceeds from short term borrowings of ₹ 136.97 million, repayment of long term borrowings of ₹ 2.03 million, payment of lease rentals of ₹ 6.01 million, finance cost of ₹ 20.03 million, proceeds from issue of equity shares and instruments entirely equity in nature of ₹ 987.32 million and buy-back of equity shares of ₹ 70.01 million.

Fiscal 2023

Our net cash used in financing activities was ₹ 146.09 million in Fiscal 2023. This was primarily due to repayment of long term borrowings of ₹ 1.70 million, repayment of short-term borrowings of ₹ 122.55 million, payment of lease rentals of ₹ 3.35 million, finance cost of ₹ 18.09 million and dividend paid of ₹ 0.40 million.

Fiscal 2022

Our net cash used in financing activities was ₹ 6.99 million in Fiscal 2022. This was primarily due to repayment of long-term borrowings of ₹ 154.85 million, proceeds from short term borrowings of ₹ 177.90 million, payment of lease rentals of ₹ 2.53 million, finance cost of ₹ 27.11 million and dividend paid of ₹ 0.40 million.

Indebtedness

As of December 31, 2024, we had working capital borrowings of ₹397.71 million, with a debt-to-equity ratio* of 15.02% as per the Financial Statements. Some of our financing agreements include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. We cannot assure you that we will be able to obtain these consents and any failure to obtain these consents could have significant adverse consequences for our business. For further information on our agreements governing our outstanding indebtedness, see "*Financial Indebtedness*" on page 414.

* *Debt comprises of cash credit facility Rs.101.25 and inland letter of credit Facility Rs.296.46 million.*

Contingent Liabilities

The following table sets forth the principal components of our contingent liabilities as of December 31, 2024, as per the Restated Consolidated Financial Statements:

Particulars	As of December 31, 2024 (in ₹ million)
Aggregate value of bank guarantee outstanding	326.88
GST demands	27.89
Income tax demands (excluding additional interest from the date of demand)	3.08

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that we believe have or are reasonably likely to have a current or future material effect on our financial condition, change in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Related Party Transactions

We enter into various transactions with related parties. For further information see "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 28*" on page 346.

Quantitative and Qualitative Disclosures about Market Risk

Our principal financial liabilities comprise of borrowings, lease liabilities, trade payables, employee related payables, security deposits and remuneration to director payable. These financial liabilities are directly derived from its operations. Our principal financial assets include investments, trade receivables, security deposits, prepaid expenses, other bank balances and cash and cash equivalents.

We are exposed to credit risk, liquidity risk and market risk. Our senior management oversees the management of these risks. Our senior management ensures that our financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with our policies and risk objectives.

Credit Risk

Credit risk is the risk of financial loss to us if a customer or counterparty fails to meet their contractual obligations.

Trade receivables

For our Company, credit risk primarily stems from trade receivables, which are largely due from state government organisations, which follow strict tender terms and schedules, resulting in timely collections. This practice, along with a diversified client base across different states and a comprehensive review of fund availability and creditworthiness before bidding, mitigates concentration and credit risks. Consequently, no provision for expected credit loss on trade receivables or other financial assets is deemed necessary.

Other financial assets

We have assessed for our other financial assets namely loans, interest receivable, security deposits, bank balances other than cash and cash equivalents and other receivable as high quality, negligible credit risk. We periodically monitor the recoverability and credit risks of its financials assets. We evaluate 12 month expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, we consider life-time expected credit losses for the purpose of impairment provisioning.

Liquidity Risk

Liquidity is defined as the risk that we will not be able to settle or meet our obligations on time or at a reasonable price. Our objective is to, at all times maintain optimum levels of liquidity to meet its financial obligations. We manage liquidity risk by maintaining sufficient cash and cash equivalents and by having access to funding through an adequate amount of committed credit lines. In addition, processes and policies related to such risks are overseen by our senior management.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risk: interest rate risk, currency risk and commodity risk. Financial instruments affected by market risk include borrowings.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. We are not materially exposed to any foreign exchange risk during the reporting periods.

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. Our exposure to risk of changes in market rate is limited to borrowings which bear fixed interest rate which are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

For further information, see "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 29*" on page 349.

Commodity Risk

Commodity risk refers to the potential financial loss or negative impact on our Company's operations or financial performance due to fluctuations in the prices of commodities. These commodities can include raw materials, solar modules, and pipes, which are utilised in our water and solar solutions verticals, which are essential inputs for our business activities.

Capital Expenditures

For the nine months period ended December 31, 2024, Fiscals 2024, 2023 and 2022 and, our capital expenditures (comprising of land, factory shed, plant & machinery, computer & printer, office equipment, furniture & fixture and vehicle) were ₹ 11.32 million, ₹ 3.82 million, ₹ 12.89 million and ₹ 2.66 million, respectively as per our Restated Consolidated Financial Statements Restated Consolidated Financial Statements. The following table sets forth additions to land, factory shed, plant & machinery, computer & printer, office equipment, furniture & fixture and vehicle by category of expenditure, for the Fiscals indicated below:

(₹ in million)

Particulars	As at and for the nine months ended December 31, 2024	As at and for Fiscal 2024	As at and for Fiscal 2023	As at and for Fiscal 2022
Land	Nil	Nil	Nil	Nil
Factory shed	Nil	Nil	Nil	Nil
Plant & machinery	0.91	0.29	0.76	1.05
Computer & printer	1.35	2.22	1.24	0.76
Office equipment	4.02	0.42	0.64	0.27
Furniture & fixture	4.26	0.39	0.17	0.58

Particulars	As at and for the nine months ended December 31, 2024	As at and for Fiscal 2024	As at and for Fiscal 2023	As at and for Fiscal 2022
Vehicle	0.78	0.50	10.08	Nil

Change in accounting policies

Other than as disclosed in the Restated Consolidated Financial Statements, there have been no changes in accounting policies in the nine months period ended December 31, 2024, and Fiscals 2024, 2023 and 2022.

Segment Reporting

We are engaged in providing solutions that can help address the impact of climate change by offering a spectrum of offerings and services across water solutions, solar agriculture solutions, and IoT solutions activities, which primarily fall within a single reportable segment, i.e., clean-technology and we do not follow any segment reporting.

Significant Economic Changes

Other than as described above under the heading titled "*Principal Factors Affecting Our Financial Condition and Results of Operations*," to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Unusual or Infrequent Events of Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled "*Principal Factors Affecting Our Financial Condition and Results of Operations*" and the uncertainties described in the section titled "*Risk Factors*" beginning on page 29. To our knowledge, except as described or anticipated in this Draft Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

Future Relationship Between Cost and Income

Other than as described in this Draft Red Herring Prospectus, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

New products, Services or Business Verticals

Other than as described in "*Our Business*" on page 209 of this Draft Red Herring Prospectus, there are no new offerings or business verticals in which we operate.

Seasonality of Business

While our business operations are not inherently seasonal, there is a noticeable skew towards the third and fourth quarters of the financial year. Project execution activity typically accelerates after the monsoon season, and the period from October to March sees increased revenue from operations due to the imperative to meet annual targets. Additionally, we have historically observed improved collections from receivables during these quarters.

Suppliers or Customer Concentration

A substantial portion of our revenues is dependent on our top 5 customers. As of the nine-month period ended December 31, 2024 and Fiscals 2024, 2023 and 2022, we derived 92.75%, 87.47%, 81.12% and 60.16%, respectively, of our revenue from our top 5 customers. For further information, see "*Risk Factors –Internal Risks –A substantial portion of our revenues is dependent on our top five customers. As of the nine-month period ended December 31, 2024 and Fiscals 2024, 2023 and 2022, we derived 92.75%, 87.47%, 81.12% and 60.16%, respectively, of our revenue from our top five customers. The loss of any of these customers, will materially and adversely affect our revenues and profitability*" on page 35.

We also depend on certain of our suppliers for a significant portion of our raw materials. As of the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022, our top five suppliers contributed to 46.06%, 55.36%, 24.36%, and 30.14% of the cost of total expenses purchased, respectively. For further information, see "*Risk Factors – Internal Risks – Our business is dependent on suppliers to procure our raw materials, packing materials, tools and equipment along with purchase* *of services such as sub-contracting, contract labourers, civil construction contractors for our water treatment plants, etc. As of the nine-month period ended December 31, 2024, and Fiscals 2024, 2023 and 2022, our top five suppliers contributed to 46.06%, 55.36%, 24.36%, and 30.14% of the cost of total expenses purchased, respectively. Interruptions in the supply of raw materials and services could adversely affect our ability to manufacture our products, execute our projects and consequently our business and results*" on page 36.

Competitive Conditions

We expect to continue to compete with existing and potential competitors in respective segments of our offerings. For details, please refer to the discussions of our competition in "*Risk Factors*" and "*Our Business*" on pages 29 and 209, respectively.

Reservations, Qualifications and Adverse Remarks Included by Auditors

Except as stated below, there are no reservations, qualifications, adverse remarks or matters of emphasis included by the Statutory Auditor in its audit reports which have not been given effect to in the Restated Consolidated Financial Statements:

Period	Nature of reservations, qualifications, adverse remarks or matters of emphasis	Details of reservations, qualifications, adverse remarks or matters of emphasis	Company's response to reservations, qualifications, adverse remarks or matters of emphasis	Impact on the financial statements and financial position of our Company
Audited Special Purpose Consolidated Interim Financial Statements for nine months ended 31 December 2024	Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use	We draw attention to note 36 of the Special Purpose Consolidated Interim Financial Statements about the exit proposal agreed between the Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the financial statements. We draw attention to Note 2.1(A) to Special Purpose Consolidated Interim Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Interim Financial Statements and non-inclusion of comparative amounts for the nine months period ended 31 December 2023. These Special Purpose Consolidated Interim Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statement of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Company as required by Sub-section (1) of Section 26 of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations"), the SEBI Communications and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Interim Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our Opinion is not modified in respect of the above matters.	NA	NA

Period	Nature of reservations, qualifications, adverse remarks or matters of emphasis	Details of reservations, qualifications, adverse remarks or matters of emphasis	Company's response to reservations, qualifications, adverse remarks or matters of emphasis	Impact on the financial statements and financial position of our Company
The Audited Consolidated Financial Statements for Financial Year 2024	EOM observation	We draw attention to note 40 of the financial statement about the exit proposal agreed between the Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the books for FY23 and FY24. Our opinion is not modified with respect to above matter.	NA	NA
The Audited Consolidated Financial Statements for Financial Year 2024	Other matter	The financial information of the Group for the year ended 31 March 2023 and the transition date opening balance sheet as at 01 April 2022 included in the consolidated financial statements, are based on the previously issued statutory financial statements for the years ended 31 March 2023 and 31 March 2022 respectively prepared in accordance with the Companies (Accounting Standards) Rules, 2021, have been audited by us and we issued our audit opinion vide our audit reports dated 16 September 2023 and 29 September 2022 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Group on transition to Ind AS have been audited by us. Our opinion is not modified in respect of this matter.	NA	NA
The Audited Special Purpose IndAS Financial Statements for Financial Year 2023	Emphasis of Matter - Basis of Accounting, Restriction on Distribution and Use	(i) We draw attention to note 37 of the Special Purpose Consolidated Ind AS Financial Statements about the exit proposal agreed between the Company, its promoters and its one of the investors during FY23 including payment of additional considerations, contingent upon certain conditions agreed therein and accounting treatment thereof in the financial statements. (ii) We draw attention to Note 2.1(A) to Special Purpose Consolidated Ind AS Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Ind AS Financial Statements. These Special Purpose Consolidated Ind AS Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statements of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Company as required by Sub-section (1) of Section 26 of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties.	NA	NA

Period	Nature of reservations, qualifications, adverse remarks or matters of emphasis	Details of reservations, qualifications, adverse remarks or matters of emphasis	Company's response to reservations, qualifications, adverse remarks or matters of emphasis	Impact on the financial statements and financial position of our Company
		Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. The Board of Directors of the Company at their meeting held on 16 September 2023 had approved a set of general-purpose consolidated financial statements for the year ended 31 March 2023, prepared in accordance with the accounting standards (AS) notified under Section 133 of the Companies Act 2013 (the "Act") and other applicable accounting practices and we had issued our report thereon covering required matters dated 16 September 2023 under our UDIN 23131178BGTQFK4283. Further, this report should not be construed as withdrawal of or modification of our report dated 16 September 2023 issued on general-purpose consolidated Financial Statements of the Group. Our Opinion is not modified in respect of the above matters.		
The Audited Special Purpose Ind AS Financial Statements for Financial Year 2022	Emphasis of Matter - Basis of Accounting, Restriction on Distribution and Use	We draw attention to Note 2.1(A) to Special Purpose Consolidated Ind AS Financial Statements which describes the purpose and basis of accounting the Special Purpose Consolidated Ind AS Financial Statements and non-inclusion of comparative amounts for the year ended 31 March 2021. These Special Purpose Consolidated Ind AS Financial Statements are prepared by the management and approved by the Board of Directors of the Company solely for the purpose of preparation of Restated Consolidated Financial Statements of the Company to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as "Offer Documents") in connection with its proposed initial public offering of equity shares of Company as required by Sub-section (1) of Section 26 of Part I of Chapter III of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the ICAI. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for any other purpose. Our report is addressed to the Board of Directors of the Company solely for the purpose as specified above and should not be distributed to or used by other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. The Board of Directors of the Company at their meeting held on September 29, 2022 had approved a set of general-purpose consolidated financial statements for the year ended March 31, 2022, prepared in accordance with the accounting standards (AS) notified under Section 133 of the Act and other applicable accounting practices and we had issued our report thereon covering required matters dated September 29, 2022 under our UDIN	NA	NA

Period	Nature of reservations, qualifications, adverse remarks or matters of emphasis	Details of reservations, qualifications, adverse remarks or matters of emphasis	Company's response to reservations, qualifications, adverse remarks or matters of emphasis	Impact on the financial statements and financial position of our Company
		22131178AXTKYS7382. Further, this report should not be construed as withdrawal of or modification of our report dated September 29, 2022 issued on general-purpose consolidated financial statements of the Group. Our Opinion is not modified in respect of the above matter.		

* *As certified by PKF Sridhar and Santhanam LLP, Chartered Accountants, with firm registration number 003990S/S200018, pursuant to their certificate dated February 10, 2025.*

Significant Developments After December 31, 2024

Pursuant to a resolution of our Board of Directors dated July 17, 2024, and Shareholders' resolution dated January 6, 2025, our Company had instituted ESOS 2024. As on the date of this Draft Red Herring Prospectus, 348,340 options have been granted by our Company under ESOS 2024. For further details, please see "*Capital Structure – Issue of equity shares under employee stock option schemes"* on page 102.

Except as disclosed otherwise in this Draft Red Herring Prospectus, to our knowledge, there is no subsequent development after December 31, 2024, which materially and adversely affects, or is likely to affect, our trading or profitability, or the value of our assets, or our ability to pay our liabilities within the next twelve months.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at December 31, 2024 on the basis of amounts derived from the Restated Consolidated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Restated Consolidated Financial Statements*", "*Other Financial Information*" and "*Risk Factors*" on pages 378, 278, 374 and 29, respectively.

(₹ in million, except ratios)

Particulars	As at December 31, 2024	As adjusted for the proposed Offer(1)
Borrowings		
Current borrowings (including current maturity of non-current borrowings) (I)	398.21	[●]
Non-current borrowings (II)	6.22	[●]
Total Borrowings (III = I + II)	404.43	[●]
Equity		
Equity Share capital (IV)	143.09	[●]
Instruments entirely equity in nature (V)	4.61	[●]
Other Equity (VI)	2,909.37	[●]
Total equity (VII = IV + V + VI)	3,057.07	[●]
Total Borrowings / Total Equity (III/VII)	13.23%	[●]
Non-current borrowings / Total Equity (II/VII)	0.20%	[●]

(1) The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the book building process and hence have not been furnished. To be updated upon finalization of the Offer Price.

Notes: These terms shall carry the meaning as per Schedule III of the Companies Act, 2013.

FINANCIAL INDEBTEDNESS

Our Company and our Subsidiaries avail fund based and non-fund-based facilities in the ordinary course of business for purposes such as, *inter alia*, meeting our working capital requirements or business requirements. We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer, including, *inter alia*, for effecting a change in our shareholding pattern, for effecting a change in the composition of our Board, and for amending our constitutional documents.

Set forth below is a brief summary of our aggregate outstanding borrowings amounting to ₹ 731.31 million, as on December 31, 2024 on a consolidated basis.

(in ₹ million)

Category of Borrowing	Sanctioned Amount	Amount outstanding as on December 31, 2024
OUR COMPANY		
Secured Borrowings		
Term Loan	10.45	6.72
Working Capital		
Fund Based Limits	389.50	101.25
Non-fund Based Limits	1,112.00	623.34
Total (A)	**1,511.95**	**731.31**
Unsecured Borrowings		
Term Loan	Nil	Nil
Working capital facilities		
Fund Based Limits	Nil	Nil
Non-fund Based Limits	Nil	Nil
Total (B)	**Nil**	**Nil**
OUR SUBSIDIARIES		
Secured Borrowings		
Term Loan	Nil	Nil
Working Capital		
Fund Based Limits	Nil	Nil
Non-fund Based Limits	Nil	Nil
Total (C)	**Nil**	**Nil**
Unsecured Borrowings		
Term Loan	Nil	Nil
Working capital facilities		
Fund Based Limits	Nil	Nil
Non-fund Based Limits	Nil	Nil
Total (D)	**Nil**	**Nil**
Total borrowings (A+B+C+D)	**1,511.95**	**731.31**

As certified by PKF Sridhar & Santhanam LLP, Chartered Accountants, pursuant to their certificate dated February 10, 2025.
Note: Excludes intercompany advances / short term loans (non-interest bearing) between our Company and our Subsidiaries.

Set forth below is a brief summary of our aggregate sanctioned and outstanding borrowings on a consolidated basis (Company and our Subsidiaries) for the nine-month period ended December 31, 2024 and Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022:

Name of Lender	Date of Sanction Letter [1]	Type of borrowing	Nine-months period ended December 31, 2024				Financial Year ended March 31, 2024				Financial Year ended March 31, 2023				Financial Year ended March 31, 2022			
			Opening Balance as at April 1, 2024	Closing Balance as at nine-months period December 31, 2024	Amount repaid during the nine-months period December 31, 2024 [3]	New loans sanctioned during the nine-months period December 31, 2024	Opening Balance as at April 01, 2023	Closing Balance as at March 31, 2024	Amount repaid during the Financial Year ended March 31, 2024 [3]	New loans sanctioned during the Financial Year ended March 31, 2024	Opening Balance as at April 01, 2022	Closing Balance as at March 31, 2023	Amount repaid during the Financial Year ended March 31, 2023 [3]	New loans sanctioned during the Financial Year ended March 31, 2023	Opening Balance as at April 01, 2021	Closing Balance as at March 31, 2022	Amount repaid during the Financial Year ended March 31, 2022 [3]	New loans sanctioned during the Financial Year ended March 31, 2022
HDFC Bank Limited	December 24, 2024	Working capital facilities - Fund Based	(59.87)	81.75	3,323.46	3,465.08	(255.56)	(59.87)	4,965.41	5,161.10	19.88	(255.56)	1,558.83	1,283.39	-	19.88	631.15	651.03
		Working capital facilities - Non Fund Based: Bank Guarantees	244.49	261.19	72.34	89.04	154.71	244.49	105.07	194.85	14.04	154.71	50.72	191.39	-	14.04	-	14.04
		Working capital facilities - Non Fund Based: Letter of credit	65.96	116.87	315.85	366.76	9.12	65.96	80.96	137.80	-	9.12	71.86	80.98	-	-	-	-
	October 22, 2022	Term loan - 1	4.62	3.78	1.09	-	5.67	4.62	1.45	-	-	5.67	0.33	6.00	-	-	-	-
	November 28, 2022	Term loan - 2	0.69	0.57	0.16	-	0.84	0.69	0.22	-	-	0.84	0.04	0.88	-	-	-	-
	November 29, 2022	Term loan - 3	0.69	0.57	0.16	-	0.84	0.69	0.22	-	-	0.84	0.05	0.89	-	-	-	-
	December 28, 2022	Term loan - 4	0.72	0.60	0.17	-	0.88	0.72	0.22	-	-	0.88	0.04	0.88	-	-	-	-
	December 28, 2022	Term loan - 5	0.72	0.60	0.17	-	0.88	0.72	0.22	-	-	0.88	0.04	0.90	-	-	-	-
	December 28, 2022	Term loan - 6	0.72	0.60	0.17	-	0.88	0.72	0.22	-	-	0.88	0.04	0.90	-	-	-	-
Indusind Bank Limited	September 20, 2024	Working capital facilities - Fund Based	1.36	16.38	701.91	716.93	-	1.36	1.01	2.37	-	-	-	-	-	-	-	-
		Working capital facilities - Non Fund Based: Bank Guarantees	22.71	65.69	4.16	47.15	-	22.71	-	22.71	-	-	-	-	-	-	-	-
		Working capital facilities - Non Fund Based: Letter of credit	96.85	179.62	491.31	574.08	-	96.85	-	96.85	-	-	-	-	-	-	-	-
Kotak Mahindra Prime Limited	September 13, 2017	Term loan - 7	-	-	-	-	0.08	-	0.08	-	0.50	0.08	0.42	-	0.85	0.50	0.47	0.12
	June 26, 2019	Term loan - 8	-	-	-	-	-	-	-	-	0.15	-	0.15	-	0.41	0.15	0.30	0.05
The Bank of Maharashtra Limited	December 01, 2021	Emergency Credit Line Guranatee Scheme (ECLGS)	-	-	-	-	-	-	-	-	3.06	-	3.06	-	3.97	3.06	1.50	0.59

Name of Lender	Date of Sanction Letter [(1)]	Type of borrowing		Nine-months period ended December 31, 2024				Financial Year ended March 31, 2024				Financial Year ended March 31, 2023				Financial Year ended March 31, 2022			
				Opening Balance as at April 1, 2024	Closing Balance as at nine-months period December 31, 2024	Amount repaid during the nine-months period December 31, 2024 [(3)]	New loans sanctioned during the nine-months period December 31, 2024	Opening Balance as at April 01, 2023	Closing Balance as at March 31, 2024	Amount repaid during the Financial Year ended March 31, 2024 [(3)]	New loans sanctioned during the Financial Year ended March 31, 2024	Opening Balance as at April 01, 2022	Closing Balance as at March 31, 2023	Amount repaid during the Financial Year ended March 31, 2023 [(3)]	New loans sanctioned during the Financial Year ended March 31, 2023	Opening Balance as at April 01, 2021	Closing Balance as at March 31, 2022	Amount repaid during the Financial Year ended March 31, 2022 [(3)]	New loans sanctioned during the Financial Year ended March 31, 2022
	February 10, 2021	Working capital facilities - Fund Based		(1.47)	(1.22)	-	0.25	(0.91)	(1.47)	0.56	-	(10.67)	(0.91)	(9.76)	-	1.32	(10.67)	11.99	-
	February 10, 2021	Working capital facilities - Non Fund Based	Bank Guarantees	-	-	-	-	-	-	-	-	150.71	-	150.71	-	108.50	150.71	-	42.21
			Letter of credit	-	-	-	-	-	-	-	-	15.55	-	15.55	-	-	15.55	56.03	71.58
8% Debentures	NA	Unsecured		-	-	-	-	-	-	-	-	80.00	-	80.00 [(2)]	-	100.00	80.00	20.00	-
Loans & Advances from directors and shareholders	NA	Unsecured borrowing		-	-	-	-	-	-	-	-	8.10	-	8.10	-	8.10	8.10	-	-

(1) For working capital facilities, the date of the most recent renewal or enhancement is treated as the sanction date.

(2) On Unsecured 8% Debentures amount repaid for financial year ended March 31, 2023 excludes the premium paid on redemption of debentures.

(3) The amount repaid during the period for term loans and ECLGS comprises both principal and interest components.

Notes:

(a) Amounts in the brackets represents asset balance

(b) For fund and non fund based working capital facilities total debits and credits in the account statement is considered as repayment and sanctioned respectively.

Summary of principal terms of the borrowings currently availed by us:

1. ***Interest:*** The term loans have a flat interest rates and working capital facilities availed by our Company and its Subsidiaries typically have floating rates of interest linked to a base rate as specified by respective lenders with a spread for the fund-based facilities and charges for non-fund based facilities, which are subject to mutual discussions between the relevant lenders and our Company and its Subsidiaries respectively.

2. ***Tenor:*** The tenor of the term loans and working capital facilities availed by our Company and the Subsidiaries typically ranges from a period of 120 days to 60 months and is subject to annual review and renewal by the relevant lender.

3. ***Security:*** The borrowings availed by our Company and the Subsidiaries are secured by, *inter alia*, the following:

    (a) exclusive charges created on entire current assets and financial assets, including all immovable property owned by our Company;

    (b) hypothecation over assets and collateral of the property; and

    (c) personal guarantees from the promoters / executive directors.

    There may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company and our Subsidiaries.

4. ***Re-payment:*** The working capital facilities availed by our Company and its Subsidiaries are typically repayable on demand or on their respective due dates within the maximum tenure.

5. ***Restrictive Covenants:*** Certain of the borrowing arrangements of our Company and its Subsidiaries provide for covenants restricting certain corporate actions, and our Company and its Subsidiaries is required to take the prior approval of the lender before carrying out such activities. For instance, certain corporate actions for which our Company and its Subsidiaries requires a prior written consent from the relevant lender include:

    (a) effecting any change in ownership, control, management and constitution of our Company and its Subsidiaries;

    (b) effecting any changes to the capital structure or shareholding pattern;

    (c) entering into any merger, de-merger, amalgamation, reorganisation or consolidation or formulating any scheme of reconstruction, arrangement or compromise with the creditors;

    (d) making any amendment to the constitutional documents;

    (e) diversifying, modernising or substantially expanding of any of its existing business, operations or project;

    (f) undertaking any new project, implementing any scheme of expansion or investing in any other entity, or changing the general nature of business;

    (g) Undertake guarantee obligations on behalf of other companies/ associates/ affiliates;

    (h) declaring or paying dividends in the year that any default has occured; or

    (i) disposing of the majority of the properties and assets.

6. ***Events of Default:*** The borrowing arrangements entered into by our Company and its Subsidiaries with the lenders contain certain instances, occurrence of which may result into 'event of default', including:

    (a) failure or delay in making payment/repayment of any principal amount or interest on the relevant due dates;

    (b) failure to observe or comply with the terms and conditions, breach of ownership, management, financial or other covenants, breach of representations and warranties under the borrowing arrangements;

    (c) utilisation of the facilities or any part thereof for purposes other than as sanctioned by the lender;

    (d) change in ownership, management or control of our Company and its Subsidiaries without prior consent of the lender;

(e) any notice or action in relation to actual or threatened liquidation or dissolution or bankruptcy or insolvency against our Company and our Subsidiaries;

(f) any change or threat to change the general nature or scope of the business of our Company and its Subsidiaries;

(g) Revocation, termination or suspension of material licenses;

(h) change in constitutional documents without prior consent of the lender, which is prejudicial to the interests of the lender;

(i) failure to create security within the specified time period under the borrowing arrangements;

(j) failure to maintain the stipulated fixed asset cover ratio (FACR) with respect to the Security;

(k) Any governmental authority has condemned, nationalized, seized or otherwise expropriated the assets that form Security;

(l) breach or default under any other agreement involving borrowing of money by the group; and

(m) any circumstance or event which would or is likely to prejudicially or have a material adverse effect in any manner the capacity of our Company or our Subsidiaries to repay any loans or any part thereof.

This is an indicative list and there may be additional instances that may amount to an event of default under the various borrowing arrangements entered into by our Company or our Subsidiaries.

7. ***Consequences of events of default:*** In terms of the borrowing arrangements, as a consequence of occurrence of events of default, the lenders may:

(a) demand immediate repayment and withdraw/cancel the undrawn facility;

(b) suspend further access/drawdowns, either in whole or in part, of the facility;

(c) impose penal interest;

(d) invoke the personal guarantees;

(e) appoint a nominee director/observer on the board of directors;

(f) issue a notice for conversion of outstanding loan obligations into equity or other securities;

(g) restriction on declaring or paying any dividend or other distribution in respect of the shares;

(h) Issue notice regarding payment of proceeds of any insurance or compensation received;

(i) appoint concurrent auditor and determine the terms of concurrent audit;

(j) enforce their security interest; and

(k) disclose details of borrowings and default to regulators/third parties.

The above is an indicative list and there may be additional consequences of an event of default under the various borrowing arrangements entered into by our Company and our Subsidiaries.

For further details on financial and other covenants required to be complied with in relation to our borrowings, see "*Risk Factors – Our indebtedness and the conditions and restrictions imposed by our financing agreements and any non-compliance thereof may lead to, among others, suspension of further drawdowns, which could have an adverse effect on our business, results of operations and financial condition*" on page 59.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no pending: (i) criminal proceedings (including matters which are at the first information report ("**FIR**") stage even if no cognizance has been taken by any court); (ii) outstanding actions (including all penalties, show cause notices, orders passed and any findings/observations or warning letters of any of the inspections by SEBI or any other regulatory authority) by statutory and/or regulatory authorities (including any judicial, quasi-judicial, administrative authorities or enforcement authorities); (iii) outstanding claims related to direct and indirect taxes, in a consolidated manner giving details of number of cases and total amount involved in such cases. If a tax matter, whether direct or indirect involves an amount exceeding the threshold proposed below, in relation to each Relevant Party, a separate disclosure of such tax matter will be included; (iv) litigation/arbitration proceedings in accordance with the policy of materiality defined by the Board (the "**Materiality Policy**", as disclosed herein below), each involving our Company, Subsidiaries, Directors or Promoters (collectively, the "**Relevant Parties**"). Further, except as disclosed in this section, there are no (a) disciplinary actions (including a penalty imposed) by SEBI or any of the stock exchanges against any of the Promoters in the five financial years preceding the date of this Draft Red Herring Prospectus, including any outstanding action; and (b) outstanding litigation involving our Group Company, which may have a material impact on our Company, as applicable. Further, as on the date of this Draft Red Herring Prospectus, there are no findings/observations of any inspections by SEBI or any other regulator involving our Company which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision.*

For the purposes of determining outstanding material litigations as mentioned in points (iii) and (iv) above:

Any pending civil / arbitration/ tax proceedings involving the Relevant Parties, shall be considered 'material' for the purposes of disclosure in this Draft Red Herring Prospectus, if:

*(a) the monetary amount involved in such a proceeding is equal to or exceeds, the lower of (i) 2% of the turnover of our Company as per the Restated Consolidated Financial Statements for the preceding financial year disclosed in this Draft Red Herring Prospectus; or (ii) 2% of the net worth of our Company as per the Restated Consolidated Financial Statements as at the end of the preceding financial year; or (iii) 5% of the average of the absolute value of the profit/loss after tax as per the Restated Consolidated Financial Statements for the preceding three financial years disclosed in this Draft Red Herring Prospectus (the "**Threshold**"). For the purpose of clause (iii) above, it is clarified that the average of the absolute value of profit or loss after tax is to be calculated by disregarding the 'sign' (positive or negative) that denotes such value; or*

(b) any such proceedings wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the materiality threshold as specified in (a) above, but the outcome of such a proceeding could have a material adverse effect on the financial position, business, operations, performance, prospects, or reputation of our Company on a standalone or consolidated basis, in the opinion of the Board; or

(c) the decision in such a proceeding is likely to affect the decision in similar proceedings, such that the cumulative amount involved in such proceedings exceeds the Threshold, even though the amount involved in an individual proceeding may not exceed the Threshold.

2% of turnover, as per the Restated Consolidated Financial Statements for Fiscal 2024 is ₹ 40.55 million, 2% of net worth, as per the Restated Consolidated Financial Statements as at March 31, 2024 is ₹ 46.84 million and 5% of the average of absolute value of profit or loss after tax, as per the Restated Consolidated Financial Statements for the last three Fiscals is ₹ 13.83 million. Accordingly, ₹ 13.83 million has been considered as the Threshold for the purpose of (a) above.

Any findings/observations of any inspections by SEBI or any other regulator involving the Relevant Party, which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision in relation to the Offer have been disclosed in this Draft Red Herring Prospectus.

With respect to outstanding litigations involving the Group Company, only such outstanding litigations shall be disclosed in this Draft Red Herring Prospectus, that could have a material impact on our Company in the opinion of our Board.

It is clarified that for the purposes of disclosures in this Draft Red Herring Prospectus, pre-litigation notices received by any Relevant Party and Group Company from third parties (excluding those notices issued by statutory/regulatory/ judicial authorities / governmental/ tax authorities or FIRs (including FIRs where no cognizance has been taken by court), police complaints or notices threatening initiation of criminal action), unless otherwise decided by the Board, shall not be considered as an outstanding litigation until such time the Relevant Party or Group Company as the case may be, are impleaded as a party in the proceeding before any judicial/arbitral forum or any governmental authority.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' a creditor of our Company shall be considered to be 'material' for the purpose of disclosure in this Draft Red Herring Prospectus, if the amount due to such creditor by our Company is equal to or is in excess of 5% of the consolidated trade payables of our Company as at the end of the most recent period covered in the Restated Consolidated Financial Statements. Accordingly, a creditor has been considered 'material' if the amount due to such creditor is equal to or exceeds ₹ 21.02 million (being 5% of the consolidated trade payables of our Company as on December 31, 2024 as per the Restated Consolidated Financial Statements). For outstanding dues to MSMEs and other creditors, the disclosure will be based on the information available with our Company regarding the status of the creditors as MSME as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the statutory auditors in preparing their audit report.

Unless stated to the contrary, all terms defined in a particular litigation disclosure below are for that particular litigation only.

Litigation Involving our Company

Criminal proceedings by our Company

1. Our Company registered an FIR against 'Mr. Raghvendra Tiwari @ Sonu' ("**Accused**") at Bilaspur ("**Bilaspur FIR**") and Durg ("**Durg FIR**") under sections 420, 120-B, 406, 408 and 34 of the Indian Penal Code, 1860 for forging bank account details and siphoning off funds of our Company. Thereafter, the Accused filed an anticipatory bail application ("**ABA**") before the High Court of Chhattisgarh at Bilaspur against the Durg FIR which was rejected vide order dated March 1, 2021 ("**High Court Order**"). The Accused then filed a Special Leave Petition ("**SLP**") before the Supreme Court of India challenging the High Court Order. The Supreme Court vide their order dated August 25, 2021, dismissed the SLP. Thereafter, the Accused filed an ABA before the High Court of Chhattisgarh at Bilaspur against the Bilaspur FIR. The matter is currently pending.

2. Our Company had filed two cases under Section 138 of the Negotiable Instruments Act, 1881 in relation to dishonour of cheques issued by its dealers and suppliers. The aggregate amount involved in these matters is ₹ 1.10 million. Subsequently, our Company has applied for withdrawal of both these matters. These withdrawal applications are pending before the Chief Magistrate Judge Senior Division, Nagpur and Additional Chief Judicial Magistrate, Nagpur

Criminal proceedings against our Company

Nil

Other material proceedings by our Company

Our Company has filed a writ petition under Article 226 of the Constitution of India before the Nagpur Bench of the High Court of Judicature at Bombay on December 11, 2024 ("**Petition**"), against, inter alia, the Joint Commissioner, CGST and Central Excise ("**Respondent #1**"), and the Additional Joint Commissioner, CGST and Central Excise ("**Respondent #2**", together with Respondent #1, the "**Respondents**"). The Petition challenges the show-cause notice issued by Respondent #1 to our Company, dated August 4, 2024 ("**SCN**"), alleging, inter alia, that our Company had engaged in tax evasion by misclassifying its activities to avoid the applicable Goods and Services Tax (GST) liability at the rate of 18%, any accordingly imposing a penalty of ₹21.22 million on our Company. In the Petition, our Company contended that the findings of Respondent #1, as contained in the SCN, were erroneous and that its activities were subject to the discharge of GST at the rate of 12% and further argued that the Respondents had not assumed correct jurisdiction to decide the charges advanced by the SCN. The matter is currently pending.

Other material proceedings against our Company

Nil

Actions by statutory or regulatory authorities against our Company

Tax proceedings involving our Company

Nature of case	Number of cases	Amount in dispute/demand (*in ₹ million*)*
Direct tax#	5	3.08
Indirect tax	4	27.89
Total	**9**	**30.97**

* *To the extent quantifiable.*
\# *Excluding additional interest from the date of demand*

For details of the material tax matter involving our Company, please see "- *Other material proceedings by our Company*".

Litigation Involving our Subsidiaries

Criminal proceedings by our Subsidiaries

Nil

Criminal proceedings against our Subsidiaries

Nil

Other material proceedings by our Subsidiaries

Nil

Other material proceedings against our Subsidiaries

Nil

Actions by statutory or regulatory authorities against our Subsidiaries

Nil

Tax proceedings involving our Subsidiaries

Nature of case	Number of cases	Amount in dispute/demand (*in ₹ million*)
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	Nil	Nil

Litigation Involving our Directors

Criminal proceedings by our Directors

Nil

Criminal proceedings against our Directors

Nil

Other material proceedings by our Directors

Nil

Other material proceedings against our Directors

Nil

Actions by statutory or regulatory authorities against our Directors

Nil

Tax proceedings involving our Directors

Nature of case	Number of cases	Amount in dispute/demand *(in ₹ million*)
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	Nil	Nil

Litigation Involving our Promoters

Criminal proceedings by our Promoters

Nil

Criminal proceedings against our Promoters

Nil

Other material proceedings by our Promoters

Nil

Other material proceedings against our Promoters

Nil

Actions by statutory or regulatory authorities against our Promoters

Nil

Disciplinary actions including penalties imposed by SEBI or a stock exchange in the last five Fiscals

Nil

Tax proceedings involving our Promoters

Nature of case	Number of cases	Amount in dispute/demand *(in ₹ million)*
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	Nil	Nil

Litigation involving our Group Company

There are no litigation proceedings involving our Group Company which may have a material impact on our Company.

Outstanding Dues to Creditors

In accordance with the Materiality Policy, a creditor has been considered 'material' if the amount due to such creditor by our Company is equal to or in excess of ₹ 21.02 million, being 5% of the consolidated trade payables of our Company as on December 31, 2024 ("**Material Creditor**") as per the Restated Consolidated Financial Statements.

As of December 31, 2024, outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors, on a consolidated basis, is as follows:

Sr. No.	Type of creditor	No. of creditors	Amount outstanding (in ₹ million)
1.	Dues to micro, small and medium enterprises$#	19	60.66
2.	Dues to Material Creditors	3	87.40
3.	Dues to other creditors	334*	272.29
	Total	**356**	**420.35**

As certified by PKF Sridhar and Santhanam LLP, Chartered Accountants, pursuant to their certificate dated February 10, 2025.

$ *The amount includes dues from one party totalling ₹33.05 million, which have outstanding balances exceeding the materiality threshold in accordance with the policy of materiality defined by the Board. This amount is not reported under "Dues to Material Creditor(s)".*

* *Count excludes period end accrual of expenditure where goods and services were received but invoices were pending, therefore accounted as general provision in books as on December 31, 2024.*

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

The details pertaining to outstanding dues to Material Creditors, along with the name and amounts involved for each such Material Creditor, are available on the website of our Company at www.ritewater.in.

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, would be doing so at their own risk.

Material Developments

Except as disclosed in "*Management Discussion and Analysis of Financial Condition and Results of Operations*" on page 378, 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

Set out below is an indicative list of licenses, approvals, registrations, and permits obtained by our Company and our Material Subsidiary which are considered material and necessary for the purpose of undertaking our business activities. Except as disclosed herein, we have obtained all material consents, licenses, registrations, permissions and approvals from various governmental, statutory and regulatory authorities, which are necessary for undertaking our Company's and Material Subsidiary current business activities and operations. Except as disclosed below, no further material approvals are required for carrying on the present business operations of our Company and Material Subsidiary. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies" on page 243.

For Offer related approvals, see "Other Regulatory and Statutory Disclosures" on page 428 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 248. For details of the risks associated with a delay in obtaining, or not obtaining, the requisite material approvals, see, "Risk Factors – Non-compliance with and changes in any of the applicable laws, rules or regulations, including safety, health, environmental and labour laws could have an adverse effect on our business, results of operations and financial condition and cash flows" on page 58.

We have also set out below (i) material approvals or renewals applied for but not received; and (ii) material approvals expired and renewal yet to be applied for.

1. Approvals relating to the Offer

For authorisations and consents in relation to the Offer, see the section titled *"Other Regulatory and Statutory Disclosures"* on page 428.

2. Incorporation details of our Company

For incorporation details of our Company, see *"History and Certain Corporate Matters"* on page 248.

3. Incorporation details of our Material Subsidiary

For incorporation details of our Material Subsidiary, see *"History and Certain Corporate Matters - Our Subsidiaries"* on page 254.

4. Approvals in relation to our Company

(a) Tax related approvals

(i) The Permanent Account Number issued by the Income Tax Department, Government of India, under the Income-tax Act, 1961 is AACCN0835B.

(ii) The Tax Deduction Account Number issued by the Income Tax Department under the Income-tax Act, 1961 is NGPN01784G.

(iii) The goods and services tax registration certificates of our Company have been obtained in Rajasthan, Uttar Pradesh, Andhra Pradesh, Chhattisgarh, Bihar, Karnataka, Jharkhand, Maharashtra, Madhya Pradesh and West Bengal.

(iv) Certificate of registration bearing number MH01V761456 issued by the Sales Tax Department, Maharashtra under Maharashtra Value Added Tax Act, 2002.

(v) Certificate of registration bearing number MH01C528232 issued by the Sales Tax Department, Maharashtra under Central Sales Tax (Registration and Turnover) Rules, 1957.

(vi) Service Tax Code issued by the Service Tax Cell, Nagpur under the Finance Act, 1994 read with the Service Tax Rules, 1994 is AACCN0835BST001.

(vii) Central Excise Registration Certificate bearing number AACCN83BST001 issued by the Central Board of Excise and Customs dated June 02, 2009.

(viii) Certificate of registration bearing number 27930314250P issued by the Professional Tax Office under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

(b) Material Approvals in relation to our business operations

(i) Consent to operate under orange category from the Maharashtra Pollution Control Board.

(ii) Consent to operate under green category from the Maharashtra Pollution Control Board.

(iii) Certificate of Registration in Class-I as a Contractor of Public Health Engineering Department.

(iv) Unified Registration System "e-Registration" Certificate in Class 'C' from the Public Works Department, Chhattisgarh.

(v) Certificate for Quality Management System Standard – ISO 9001:2015 from Care Certification Private Limited.

(vi) Certificate for Quality Management System Standard – ISO 9001:2015 from Care Certification Private Limited.

(vii) Certificate for Environmental Management System Standard – ISO 14001:2015 from Care Certification Private Limited.

(viii) Certificate for Information Security Management Systems – ISO/IEC 27001:2013 from Delano Assessment Private Limited.

(c) Labour and commercial approvals

(i) Certificate dated August 7, 2023, bearing registration number 2352300317902311, procured under the Maharashtra Shops and Establishment (Regulation of Employment and Conditions of Service) Act, 2017.

(ii) Certificate of Enrolment under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 bearing reference number 99961360597P.

(iii) Registration for employees' provident fund issued by the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

(iv) Certificate of Importer-Exporter Code bearing reference number 0307035204 issued by the office of the Additional Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India, under the Foreign Trade (Development and Regulation) Act, 1992.

(v) Certificate of registration issued under the Employees' State Insurance Act, 1948 by the Employees' State Insurance Corporation, dated June 25, 2013 bearing establishment code number 230000095380000699.

(vi) Contractor Registration Certificate dated June 9, 2022 issued by Maharashtra Jeevan Pradhikaran Regional Office, Nagpur bearing certificate number MLR/MA(Nag)/Class-3(A)/C/no.33/2022 under registration Class 3.

(d) Material approvals for which renewal applications have been made:

Nil

(e) Material approvals that are required but for which no applications have been made:

Nil

5. Approvals in relation to our Material Subsidiary

(a) Tax related approvals

(i) The Permanent Account Number issued by the Income Tax Department, Government of India, under the Income-tax Act, 1961 is AAKCC9007G.

(ii) The Tax Deduction Account Number issued by the Income Tax Department under the Income-tax Act, 1961 is NGPC05344D.

(b) **Material Approvals in relation to our business operations**

Nil

(c) **Labour and commercial approvals**

Nil

(d) **Material approvals for which renewal applications have been made:**

Nil

(e) **Material approvals that are required but for which no applications have been made:**

Nil

Intellectual property rights

For details, see "*Our Business – Intellectual Property*" on page 241 and for risks associated with our intellectual property, see "*Risk Factors – We have made a trademark application for our logo on November 29, 2024, and our inability to procure registration of the same or to protect any of our intellectual property rights including misappropriation, infringement or passing off of our intellectual property, could have an adverse impact on our business*" on page 38.

GROUP COMPANY

In terms of the SEBI ICDR Regulations, the term "group companies", includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which our Company has had related party transactions (in accordance with the applicable accounting standards) during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by our Board.

Accordingly, for (i) above, all such companies (other than our Subsidiaries) with which there were related party transactions during the period covered in the Restated Consolidated Financial Statements, as covered under the applicable accounting standards, shall be considered as Group Company(ies).

In addition, pursuant to the Materiality Policy, for the purposes of (ii) above, all such companies (other than the subsidiaries, and the companies categorized under (i) above) shall be considered 'material' and will be disclosed as a Group Company in this Draft Red Herring Prospectus if such company is a member of the 'Promoter Group' of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations; and our Company has entered into one or more transactions with such company during the last completed Fiscal or relevant stub period, if applicable, for which Restated Consolidated Financial Statements are being included, which individually or cumulatively in value exceeds 10% of the total consolidated revenue from operations of our Company for the last completed Fiscal or stub period, if applicable as per the Restated Consolidated Financial Statements.

Based on the above, the details of our Group Company are set forth below:

Rite Water (India) Private Limited

Registered Office

The registered office of Rite Water (India) Private Limited is situated at Plot No. K-60, MIDC Industrial Area, Hingna Road, Nagpur – 440016, Maharashtra, India.

Financial Information

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of Rite Water (India) Private Limited for the last three financial years, as required by the SEBI ICDR Regulations, are available on the website at www.ritewater.in/investor-relations/IPO. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations.

Such information provided on the website given above does not constitute a part of this Draft Red Herring Prospectus. Such information should not be considered as part of information that any investor should consider to purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

Brief Activity

Rite Water (India) Private Limited is authorised to engage in the business of manufacturing, trading, retailing, distributing, importing and exporting of products as industrial reverse osmosis system, sea-water desalination system, mineral water system, water softening system, demineralization system, swimming pool filtration system, sand/ carbon / micron filtration system, waste water recycling plant, water distribution system, industrial, commercial, and consumer water and wastewater treatment systems, products, and services.

Nature and extent of interest of Group Company

In the promotion of our Company

Our Group Company does not have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company

Our Group Company is not interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company

In transactions for acquisition of land, construction of building and supply of machinery, etc.

Our Group Company is not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc. entered into by our Company

Common pursuits

Except as stated below there are no common pursuits between our Group Company and our Company:

Our Group Company is specialised to trade in household water purifiers under the brand 'Rite Water' and operating water ATMs. However, we do not perceive any conflict of interest in this regard as their business is synergistic with the business of our Company. Our Company will adopt necessary procedures and practices as permitted by law to address any situations of conflict of interest, if and when they arise.

Related business transactions within our Group Company and significance on the financial performance of our Company

Except the transactions disclosed in "*Related Party Transactions*" and "*Restated Consolidated Financial Statements – Annexure VI – Consolidated Statement of notes and other Explanatory Information forming part of Restated Consolidated Financial Statements – Note 28*" on pages 377 and 346, there are no other related business transactions with the Group Company.

Litigation

There are no litigation proceedings involving our Group Company which may have a material impact on our Company. For details, see "*Outstanding Litigation and Material Developments – Litigation involving our Group Company*" on page 422**.**

Business interest of Group Company

Except in the ordinary course of business and as stated in "*Related Party Transactions*" on page 377, our Group Company does not have any business interest in our Company.

Confirmations

Our Group Company do not have its securities listed on any stock exchange.

Our Group Company has not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of our Company) and our Group Company.

There is no conflict of interest between the lessors of the immovable properties (which are crucial for operations of our Company) and our Group Company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised pursuant to the resolution passed by our Board dated December 27, 2024 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated January 6, 2025. Further, the Board has taken on record the consent and authorisation of the Selling Shareholders to participate in the Offer for Sale pursuant to a resolution dated February 10, 2025.

This Draft Red Herring Prospectus has been approved by our Board, pursuant to a resolution dated February 10, 2025 for filing with SEBI and the Stock Exchanges.

The Equity Shares offered by Promoter Selling Shareholders and the Equity Shares arising from conversion of the CCPS held by the Investor Selling Shareholder and being offered by the other Selling Shareholders shall be eligible for being offered for sale in terms of the SEBI ICDR Regulations. The Equity Shares proposed to be offered by the Investor Selling Shareholder will be issued upon conversion of the CCPS held by them as on date of this DRHP. The conversion of CCPS will be completed prior to filing the Red Herring Prospectus with the Registrar of Companies in accordance with Regulation 5(2) and Regulation 8 of the SEBI ICDR Regulations. For more details, see "*Capital Structure*", beginning on page 93. Each of the Selling Shareholders has severally and not jointly confirmed and approved its participation in the Offer for Sale and also has authorized the sale of its portion of the Offered Shares in the Offer for Sale as set out below:

Selling Shareholders	Total No. of Offered Shares	Aggregate Value of Offer for Sale	Date of corporate approval	Date of consent Letter
Vinayak S. Gan^	Up to [●] Equity Shares of face value of ₹2 each	Up to ₹ 850.00 million	Not applicable	February 10, 2025
Abhijeet V. Gan^	Up to [●] Equity Shares of face value of ₹2 each	Up to ₹ 900.00 million	Not applicable	February 10, 2025
Water Access Acceleration Fund S.L.P.	Up to [●] Equity Shares of face value of ₹2 each	Up to ₹ 2,700.00 million	February 4, 2025	February 10, 2025

^ *Also, Promoter of our Company*

Note: As of the date of this Draft Red Herring Prospectus, the Investor Selling Shareholder does not hold any Equity shares. 460,531 outstanding CCPS held by the Investor Selling Shareholder will be converted into maximum of 13,815,930 Equity Shares of face value of ₹2 each in aggregate, pursuant to the terms and conditions of the CCPS under the W2AF SSSHA Agreement and in accordance with Regulation 5(2) of the SEBI ICDR Regulation. The actual number of Equity Shares that such CCPS will convert into shall be determined at the time of conversion, in accordance with the terms of the CCPS. The number of shares have been adjusted to give effect to the sub-division of each equity share of our Company bearing face value of ₹10 each into 5 equity shares bearing face value of ₹2 each pursuant to a resolution of our Board dated October 8, 2024 and a resolution of our shareholders dated October 10, 2024, and bonus issuance of 5 new shares per every 1 fully paid-up share, dated October 10, 2024. For further details, see "Capital Structure – Terms of conversion of CCPS" and "History and Certain Corporate Matters – Key terms of other subsisting material agreements" beginning on pages 101 and 252.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

Prohibition by SEBI, the RBI or other Governmental Authorities

Our Company, our Subsidiaries, our Directors, our Promoters and the members of the Promoter Group are not prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Each of the Selling Shareholders severally and not jointly confirm, that it is not prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoter and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Company, Promoters or Directors have been declared as Wilful Defaulters or Fraudulent Borrowers.

None of our Promoters or Directors have been declared as Fugitive Economic Offenders.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Each of our Company, our Promoters, the members of the Promoter Group and each of the Selling Shareholders severally and not jointly, confirms that, as on the date of this Draft Red Herring Prospectus, it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them.

Directors associated with the securities market

None of our Directors are, in any manner, associated with the securities market. Further, there are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), *i.e.*, as at and for the Financial Years 2024, 2023 and 2022, of which not more than 50% of the net tangible assets are held as monetary assets;

- Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), *i.e.*, as at and for the Financial Years 2024, 2023 and 2022, with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), *i.e.*, as at and for the Financial Years 2024, 2023 and 2022, calculated on a restated and consolidated basis; and

- Our Company has not changed its name in the last one year, other than for deletion of the word "private" consequent to the conversion from a private limited company to a public limited company.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, derived from the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last three Fiscals are set forth below:

(*in ₹ million, unless otherwise stated*)

Particulars	As at and for the Fiscal ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Restated net tangible assets [(1)] *(A)*	2,294.77	836.67	538.89
Restated monetary assets [(2)] *(B)*	1,115.70	289.29	126.29
Restated monetary assets as a percentage of \ Restated Net tangible assets (in %) *(B/A)*	48.62%	34.58%	23.44%
Restated operating profit/(loss) [(3)]	688.18	357.51	83.35
Restated net worth [(4)]	2,341.90	931.71	681.85

[(1)] *"Restated Net tangible assets" means the sum of all assets of our Company, excluding intangible assets as defined in Ind AS-38 and deferred tax assets as defined in Ind AS-12, excluding the impact of deferred tax liabilities as defined in Ind AS-12 and as reduced by liabilities and provisions.*

[(2)] *"Restated monetary assets" is the aggregate of cash in hand, balance with bank (current, non-current and includes deposit accounts but (i) excludes deposits placed as margin money for guarantees/banking facility), accrued interest thereon and (ii) includes investments (current and non-current) in shares (excluding investments in subsidiaries/associates) and mutual funds.*

[(3)] *"Restated operating profit" means revenue from operations minus cost of material consumed minus purchase of stock in trade minus changes in inventories of finished goods minus employee benefits expense minus depreciation and amortisation expense minus other expenses*

[(4)] *"Restated net worth" means "share capital, instruments entirely equity in nature and other equity including surplus in profit & loss account*

Our Company has operating profits in each of the Fiscals 2024, 2023 and 2022 in terms of our Restated Consolidated Financial Statements, as indicated in the table above.

Each of the Selling Shareholders has severally and not jointly confirmed its compliance with Regulation 8 of the SEBI ICDR Regulations and approved its participation in the Offer for Sale in relation to its portion of the Offered Shares.

Further, our Company confirms that it eligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, fulfils requirements set out in Regulation 7(1) of the SEBI ICDR Regulations and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The details of our compliance with Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations are as follows:

(a) none of our Company, our Promoters, members of our Promoter Group, our Directors or the Selling Shareholders are debarred from accessing the capital markets by SEBI

(b) none of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) none of our Company, our Promoters or Directors is a Wilful Defaulter or Fraudulent Borrower.

(d) neither our Promoters nor any of our Directors are a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018).

(e) other than outstanding options issued in terms of the ESOS 2024 and the issued and subscribed CCPS, there are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus.

(f) our Company along with Registrar to the Offer has entered into tripartite agreements dated March 10, 2014 and May 07, 2014 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares.

(g) the Equity Shares of our Company held by the Promoters are in the dematerialised form.

(h) all the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares outstanding as on the date of filing of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, BEING JM FINANCIAL LIMITED AND AXIS CAPITAL LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND EACH OF THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 10, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus and the Prospectus, as applicable, with the RoC in terms of the Companies Act.

Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, the Directors, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website or the respective websites of our Subsidiaries or our Group Company or of any of the Selling Shareholders, would be doing so at his or her own risk.

Each of the Selling Shareholders, severally and not jointly, is providing information in this Draft Red Herring Prospectus only in relation to itself as a selling shareholder and its respective portion of the Offered Shares, and each of the Selling Shareholders, including its directors, partners, affiliates, associates and officers, accepts and/or undertakes no responsibility for any statements made or undertakings provided, including without limitation, any statement made by or in relation to our Company or its business, other than those specifically undertaken or confirmed by it as a selling shareholder, in relation to itself and its respective portion of the Offered Shares in this Draft Red Herring Prospectus.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided in the Underwriting Agreement.

All information shall be made available by our Company, the Selling Shareholders (to the extent the information pertains to such Selling Shareholder and its respective portion of Offered Shares) and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Neither our Company nor the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank(s) 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 Selling Shareholders, Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, employees and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, each of the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

Bidders eligible under Indian law to participate in the Offer

This Offer is being made in India to persons resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to permission from RBI) or systemically important NBFCs or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, 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, and permitted Non-Residents including FPIs and Eligible NRIs, QIBs, AIFs, FVCIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

Bidders are advised to ensure that any Bid from them should not exceed investment limits or the maximum number of Equity Shares that could be held by them under applicable law.

Certain persons outside India are restricted from participating in the Offer. For details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 468.

Selling restrictions and transfer restrictions

This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered in the Offer in any jurisdiction. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer 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 in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Offer are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**").

Each purchaser of the Equity Shares in the Offer who does not receive a copy of the preliminary offering memorandum shall be deemed to:

- Represent and warrant to our Company, the Selling Shareholders and the Members of the Syndicate that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.

- Represent and warrant to our Company, the Selling Shareholders and the Members of the Syndicate that it did not purchase the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S).

- Represent and warrant to our Company, the Selling Shareholders and the Members of the Syndicate that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.

- Represent and warrant to our Company, the Selling Shareholders and the Members of the Syndicate that it 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, other than in accordance with applicable laws.

- Represent and warrant to our Company, the Selling Shareholders and the Members of the Syndicate that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

- Represent and warrant to our Company, the Selling Shareholders and the Members of the Syndicate that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- Agree to indemnify and hold our Company, the Selling Shareholders and the Members of the Syndicate harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Acknowledge that our Company, the Selling Shareholders, the Members of the Syndicate and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Disclaimer clause of BSE Limited

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer clause of National Stock Exchange of India Limited

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares being offered and transferred in the Offer and [•] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalised for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date or such period as may be prescribed by SEBI.

The Company shall refund the money raised in the Offer, together with any interest on such money as required under applicable laws, to the Bidders if required to do so for any reason under applicable laws, including due to failure to obtain listing or trading approval or pursuant to any direction or order of SEBI or any other governmental authority. Each Selling Shareholder shall be, severally and not jointly, liable to refund money raised in the Offer, only to the extent of its Offered Shares, together with any interest on such amount as per applicable laws. Provided that the Selling Shareholders shall not be liable or responsible to pay such interest unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder.

Consents

Consents in writing of (a) each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, legal counsel to our Company, the BRLMs, the Registrar to the Offer, lenders to our Company (wherever applicable), 1Lattice, independent chartered accountant, in their respective capacities have been obtained; and consents in writing of (b) the Syndicate Members, Monitoring Agency, Sponsor Bank(s), Escrow Collection Bank(s), Public Offer Account Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents obtained under (a) have not be withdrawn as on the date of this Draft Red Herring Prospectus.

Experts

Except as stated below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

Our Company has received the written consent dated February 10, 2025 from our Statutory Auditors, PKF Sridhar & Santhanam LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with the 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 Auditors, and in respect of their (i) examination report dated February 6, 2025 on the Restated Consolidated Financial Statements; and (ii) the statement of special tax benefits available to the Company and its shareholders and our Material Subsidiary under the direct and indirect tax laws in India dated February 10, 2025, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

Our Company has also received written consent dated February 10, 2025, from the independent chartered accountant, namely V S Nasery & Co., Chartered Accountants, having firm registration number 106949W, holding a valid peer review certificate from ICAI, 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 Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company.

Our Company has also received written consent dated February 10, 2025, from the independent chartered engineer, namely Hemant Ambaselkar, having membership number F108701-7 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 Companies Act, 2013 in relation to the certificate dated February 10, 2025 certifying *inter alia* authorised installed capacity and capacity utilisation of our facilities.

Our Company has received a written consent dated February 10, 2025, from the Practicing Company Secretary, namely, Yuti Nagarkar, having membership number FCS-9317, 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 Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company, 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 public or rights issues by our Company during the last five years and performance *vis-à-vis* objects

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – public/ rights issue of listed subsidiaries/ promoters

Our Company does not have any listed Subsidiaries or promoters as on the date of this Draft Red Herring Prospectus.

Commission, brokerage and selling commission paid on previous issues of the Equity Shares

Since this is the initial public offering of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed Group Company, Subsidiaries or Associate during the previous 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 associate companies as on the date of this Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by Securities Exchange Board of India

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

Price information of past issues handled by the BRLMs

A. JM Financial Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by JM Financial Limited.

Sr. No.	Issue name	Issue Size (` million)	Issue price (`)	Listing Date	Opening price on Listing Date (in `)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Ventive Hospitality Limited*[12]	16,000.00	643.00	December 30, 2024	716.00	5.51% [-2.91%]	Not Applicable	Not Applicable
2.	Inventurus Knowledge Solutions Limited*	24,979.23	1,329.00	December 19, 2024	1,900.00	40.85% [-3.13%]	Not Applicable	Not Applicable
3.	Zinka Logistics Solutions Limited# [7]	11,147.22	273.00	November 22, 2024	279.05	84.47% [-1.36%]	Not Applicable	Not Applicable
4.	ACME Solar Holdings Limited*[11]	29,000.00	289.00	November 13, 2024	251.00	-6.02% [4.20%]	Not Applicable	Not Applicable
5.	Western Carriers (India) Limited*	4,928.80	172.00	September 24, 2024	171.00	-20.69% [-5.80%]	-34.65% [-9.07%]	Not Applicable
6.	Bajaj Housing Finance Limited*	65,600.00	70.00	September 16, 2024	150.00	99.86% [-1.29%]	89.23% [-2.42%]	Not Applicable
7.	Baazar Style Retail Limited#[10]	8,346.75	389.00	September 06, 2024	389.00	-1.32% [0.62%]	-16.11% [-0.28%]	Not Applicable
8.	Brainbees Solutions Limited*[9]	41,937.28	465.00	August 13, 2024	651.00	37.49% [3.23%]	21.39% [0.04%]	-10.02% [-2.40%]
9.	Ceigall India Limited*[8]	12,526.63	401.00	August 08, 2024	419.00	-4.89% [3.05%]	-14.01% [0.40%]	-26.17% [-3.13%]
10.	Stanley Lifestyles Limited#	5370.24	369.00	June 28, 2024	499.00	55.96% [2.91%]	31.29% [7.77%]	14.73% [-0.71%]

Source: www.nseindia.com and www.bseindia.com

 # BSE as Designated Stock Exchange

** NSE as Designated Stock Exchange*

Notes:

1. *Opening price information as disclosed on the website of the Designated Stock Exchange.*
2. *Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.*
3. *For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of Rs. 25 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
8. *A discount of Rs. 38 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
9. *A discount of Rs. 44 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*
10. *A discount of Rs. 35 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.*

11. A discount of Rs. 27 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
12. A discount of Rs. 30 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.

2. Summary statement of price information of past issues handled by JM Financial Limited:

Financial Year	Total no. of IPOs	Total funds raised (` Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-2025	12	2,42,745.26	-	-	4	5	2	1	-	1	1	2	-	1
2023-2024	24	2,88,746.72	-	-	7	4	5	8	-	-	5	7	5	7
2022-2023	11	3,16,770.53	-	1	3	-	5	2	-	2	2	2	3	2

B. Axis Capital Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited:

Sr. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Carraro India Limited(2)	12,500.00	704.00	30-Dec-24	651.00	+5.51%, [-2.91%]	-	-
2	Ventive Hospitality Limited#(2)	16,000.00	643.00	30-Dec-24	716.00	-27.73%, [-2.91%]	-	-
3	Transrail Lighting Limited(1)	8,389.12	432.00	27-Dec-24	585.15	+24.45%, [-3.19%]	-	-
4	International Gemmological Institute (India) Limited^(2)	42,250.00	417.00	20-Dec-24	510.00	+29.51%, [-1.59%]	-	-
5	Zinka Logistics Solutions Limited% (1)	11,147.22	273.00	22-Nov-24	280.90	+84.47%, [-1.36%]	-	-
6	Niva Bupa Health Insurance Company Limited(2)	22,000.00	74.00	14-Nov-24	78.14	+12.97%, [+5.25%]	-	-
7	Waaree Energies Limited(2)	43,214.40	1,503.00	28-Oct-24	2,500.00	+68.05%, [-0.59%]	+49.15%, [-5.12%]	-
8	Northern Arc Capital Limited&(2)	7,770.00	263.00	24-Sep-24	350.00	-7.15%, [-5.80%]	-15.71%, [-9.07%]	-
9	Bajaj Housing Finance Limited(2)	65,600.00	70.00	16-Sep-24	150.00	+99.86%, [-1.29%]	+89.23%,[-2.42%]	-
10	Baazar Style Retail Limited$(1)	8,346.75	389.00	6-Sep-24	389.00	-1.32%, [+0.62%]	-16.11%,[-0.28%]	-

Source: www.nseindia.com and www.bseindia.com
(1) BSE as Designated Stock Exchange
(2) NSE as Designated Stock Exchange
 # Offer Price was ₹ 613.00 per equity share to Eligible Employees
^ Offer Price was ₹ 378.00 per equity share to Eligible Employees
% Offer Price was ₹ 248.00 per equity share to Eligible Employees
& Offer Price was ₹ 239.00 per equity share to Eligible Employees
$ Offer Price was ₹ 354.00 per equity share to Eligible Employees
Notes:
a. Issue Size derived from Prospectus/final post issue reports, as available.
b. The CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.

c. Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
d. In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.
e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ in million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-2025*	20	445,928.65	-	1	2	7	6	4	-	-	2	5	-	2
2023-2024	18	218,638.22	-	-	4	2	6	6	-	-	3	7	4	4
2022-2023	11	279,285.39	-	1	6	-	2	2	-	2	5	-	3	1

* *The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.
Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Track record of the Book Running Lead Managers

For details regarding the track record of the BRLMs, as specified in circular bearing reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs, as set forth in the table below:

Name	Website
JM Financial Limited	www.jmfl.com
Axis Capital Limited	www.axiscapital.co.in

For further details in relation to the BRLMs, please see "*General Information – Book Running Lead Managers*" on page 86.

Stock market data of Equity Shares

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of investor grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer 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 or any such period as prescribed under the applicable laws, to enable the investors to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Bidders can contact the Company Secretary and the Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non- credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non- receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below. Our Company, the Selling Shareholders, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.

All Offer related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall also enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarification or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first bidder, 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 BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Pursuant to the SEBI ICDR Master Circular and the circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 ("**March 2021 Circular**"), SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular and subsequent circulars issued by the SEBI, as may be applicable, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. 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, 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 BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Separately, pursuant to the SEBI ICDR Master Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLMs shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Further, in terms of SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, for grievance redressal contact details of the BRLMs pursuant to the SEBI ICDR Master Circular issued by the SEBI, see "***Offer Procedure – General Instructions***" on page 460.

Disposal of Investor Grievances by our Company and our listed Subsidiaries

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has applied for registration on the SEBI SCORES platform and shall obtain authentication in accordance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 read with the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 and SEBI circular (SEBI/HO/OIAE/IGRD/P/CIR/2022/0150) dated November 7, 2022 in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee which is responsible for redressal of grievances of security holders of our Company. For further details on the Stakeholders Relationship Committee, see *"Our Management – Committees of the Board – Stakeholders Relationship Committee"* on page 268.

Our Company has appointed Amit Ahuja, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, "*General Information- Company Secretary and Compliance Officer*" on page 86.

Each of the Selling Shareholders, severally and not jointly, have authorised the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective Offered Shares.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus.

Other confirmations

No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Offer.

SECTION VIII - OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of this Offer and to the extent applicable, or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in the chapter titled "*Objects of the Offer – Offer Related Expenses*", on page 124.

Ranking of the Equity Shares

The Equity Shares being offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of dividend, voting and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 470.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum of Association and Articles of Association, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, in accordance with applicable law. For further details in relation to dividends, see *"Dividend Policy"* and *"Description of Equity Shares and Terms of the Articles of Association"* on pages 277 and 470, respectively.

Face Value, Floor Price, Price Band and Offer Price

The face value of the Equity Shares is ₹2. The Floor Price of Equity Shares is ₹[●] per Equity Share and the Cap Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band and minimum Bid Lot for the Offer will be decided by our Company in compliance with the SEBI ICDR Regulations, and advertised in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and [●] editions of the Marathi daily newspaper [•] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid / Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company in compliance with the SEBI ICDR Regulations, after the Bid / Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

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 applicable 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 provisions of our Articles, our Shareholders shall have the following rights:

- the right to receive dividend, if declared;

- the right to attend general meetings and exercise voting rights, unless prohibited by law;
- the right to vote on a poll either in person or by proxy or 'e-voting' in accordance with the provisions of the Companies Act;
- the right to receive offers for rights shares and be allotted bonus shares, if announced;
- the right to receive surplus on liquidation subject to any statutory and preferential claims being satisfied;
- the right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws, including rules framed by the RBI; and
- such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, consolidation and splitting, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 470.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, our Company has entered into the following agreements:

- tripartite agreement dated March 10, 2014, entered into amongst our Company, NSDL and Registrar to the Offer; and
- tripartite agreement dated May 7, 2014, entered into amongst our Company, CDSL and Registrar to the Offer.

Market lot and Trading lot

The trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares of face value of ₹2 each, subject to a minimum Allotment of [●] Equity Shares of face value of ₹2 each. For the method of Basis of Allotment, see "*Offer Procedure*" on page 450.

Joint holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

The competent courts/authorities of Nagpur, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office or with the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or

- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all 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 will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Collecting Depository Participant of the applicant will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Collecting Depository Participant.

Bid/ Offer Programme

EVENT	INDICATIVE DATE
BID/OFFER OPENS ON(1)	On or about [●]
BID/OFFER CLOSES ON(2)(3)	On or about [●]
FINALIZATION 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 DEPOSITORY ACCOUNTS OF ALLOTTEES	On or about [●]
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGES	On or about [●]

(1) Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

(2) Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIB one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

(3) UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of fund.

The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholders or the BRLMs. While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid / Offer Closing Date, or such other period as prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid / Offer Period by our Company in consultation with the BRLMs, 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. Each Selling Shareholder, severally and not jointly, confirms that it shall extend reasonable assistance as required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid / Offer Closing Date, or within such other period as prescribed.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory basis, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid / Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIIs, other than QIBs and NIIs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹500,000	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors#	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 4.00 p.m. IST on Bid/Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

* *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.*

QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Managers and the RTA on a daily basis, as per the format prescribed in SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021. 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, would be rejected.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

(a) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors, and

(b) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIIs.

On Bid / Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Investors, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Managers and the Registrar to the Offer not later than the next working day from the finalization of basis of allotment by the Registrar to the Offer, as per the format prescribed in SEBI ICDR Master Circular.

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.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and are advised to submit their Bids no later than 1:00 p.m. IST on the Bid/ Offer 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/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the

Bid/Offer period. Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. 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, subject to minimum 105% of the Floor Price.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days, in compliance with the SEBI ICDR Regulations.

Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and terminals of the Syndicate Members and by intimation to the Designated Intermediaries. 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-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond such time period as prescribed under applicable law, as applicable, our Company shall pay interest at the rate of 15% per annum or such other rate as prescribed under applicable law.

Subject to applicable law, in the event of under-subscription in the Offer, the Equity Shares will be allotted in the following order: (i) such number of Equity Shares comprising 90% of the Fresh Issue, or such other number as required to comply with the minimum subscription to be received in the Offer under applicable law, will be Allotted prior to the sale of Equity Shares in the Offer for Sale; (ii) next all the Equity Shares held by the Selling Shareholders and offered for sale in the Offer will be Allotted in proportion to their respective Offered Shares; and (iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the remaining 10% of the Fresh Issue. After achieving the above minimum subscription, if however, there is under-subscription in achieving the total Offer size, the Equity Shares will be allotted in the following order: (i) all the Equity Shares offered for sale by the Investor Selling Shareholder in the Offer for Sale will be Allotted; (ii) subsequently, all the Equity Shares offered for sale by the Promoter Selling Shareholders in the Offer for Sale will be Allotted ; and (iii) through the issuance of balance part of the Fresh Issue.

In terms of the SEBI ICDR Master Circular, our Company shall within two days from the closure of the Offer, 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 such time period as prescribed under applicable law, interest at the rate of 15% per annum shall be paid.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000, 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

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, the Promoters' Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" on page 93, and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Description of Equity Shares and Terms of the Articles of Association*" at page 470.

Option to receive Equity Shares in dematerialized form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

The Offer shall be withdrawn in the event that 90% of the Fresh Issue is not subscribed.

Our Company or the Investor Selling Shareholder in consultation with the BRLMs, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid / Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s) 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 Offer to process refunds to the Anchor Investors, as the case may be. In the event of withdrawal of the Offer by our Company or the Investor Selling Shareholder and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. 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.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares of face value of ₹2 each for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 7,450.00 million comprising of a Fresh Issue of up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 3,000.00 million by our Company and an Offer of Sale of up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹ 4,450.00 million by the Selling Shareholders. The Offer shall constitute [●] %, of the post-Offer paid-up Equity Share capital of our Company.

Our Company, in consultation with the BRLMs, may consider an issue of specified securities as may be permitted under Applicable Law to any person(s) for an amount aggregating up to ₹ 600.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to the Offer complying with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the objects of the Offer in compliance with Applicable Law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 31 of the SEBI ICDR Regulations.

Particulars	QIBs [(1)]	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment / allocation* [(2)]	Not more than [●] Equity Shares of face value of ₹2 each	Not less than [●] Equity Shares of face value of ₹2 each available for allocation or Offer less allocation to QIB Bidders and Retail Individual Investors	Not less than [●] Equity Shares of face value of ₹2 each available for allocation or Offer less allocation to QIB Bidders and Non- Institutional Investors
Percentage of Offer Size available for Allotment / allocation	Not more than 50% of the Offer 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	Not less than 15% of the Offer, or the Offer less allocation to QIB Bidders and Retail Individual Investors was available for allocation, out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Investors.	Not less than 35% of the Offer, or the Offer less allocation to QIB Bidders and Non-Institutional Investors
Basis of Allotment / allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares of face value of ₹2 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares of face value of ₹2 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	The Equity Shares available for allocation to Non-Institutional Investors under the Non- Institutional Portion shall not be less than the minimum application size and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis, in accordance with the conditions specified in the SEBI ICDR Regulations subject to the following: one-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and	The allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see *"Offer Procedure"* on page 450.

Particulars	QIBs [1]	Non-Institutional Investors	Retail Individual Investors
	Up to 60% of the QIB portion (of up to [●] Equity Shares of face value of ₹2 each) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	(ii) two-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Investors.	
Minimum Bid	[●] Equity Shares of face value of ₹ 2 each and in multiples of [●] Equity Shares of face value of ₹ 2 each that the Bid Amount exceeds ₹0.20 million and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹2 each such that the Bid Amount exceeds ₹0.20 million	[●] Equity Shares of face value of ₹2 each
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 2 each not exceeding the size of the Offer (excluding the Anchor Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹2 each not exceeding the size of the Offer (excluding the QIB Portion), subject to limits prescribed under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹2 each so that the Bid Amount does not exceed ₹0.20 million
Bid Lot	[●] Equity Shares of face value of ₹ 2 each and in multiples of [●] Equity Shares of face value of ₹ 2 each thereafter		
Mode of allotment	Compulsorily in dematerialised form		
Allotment Lot	A minimum of [●] Equity Shares of face value of ₹ 2 each and in multiples of [●] Equity Share of face value of ₹ 2 each thereafter		
Trading Lot	One Equity Share		
Who can Apply (3)(4)(5)(6)	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, eligible FPIs, 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 ₹250 million, pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, 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 Non-Banking Financial Companies, in accordance with applicable laws including FEMA Rules.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies family offices, trusts, FPIs who are individuals, corporate bodies and family offices.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta) applying for Equity Shares such that the Bid amount does not exceed ₹0.20 million in value.
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[4] **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) or by the Sponsor Bank(s) through the UPI Mechanism, that is specified in the ASBA		

Particulars	QIBs [(1)]	Non-Institutional Investors	Retail Individual Investors
	Form at the time of submission of the ASBA Form.		
Mode of Bidding^	ASBA only (excluding the UPI Mechanism) except for Anchor Investors	ASBA only (including UPI Mechanism for Bids up to ₹0.50 million)	ASBA only (including the UPI Mechanism)

* *Assuming full subscription in the Offer*

^ *The SEBI ICDR Master Circular mandates 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. QIB, NII and Retail 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 may, in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to having been (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion was up to ₹ 100.00 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion was more than ₹100.00 million but up to ₹2,500.00 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 10 Anchor Investors for every additional ₹2,500.00 million or part thereof was permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor could make a minimum Bid of such number of Equity Shares, that the Bid Amount was at least ₹100.00 million. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received at or above the price at which allocation is made to Anchor Investors, which price was determined by the Company in consultation with the BRLMs.*

(2) *This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer was made available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion was made available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation to Non-Institutional Investors, of which (a) one-third portion was reserved for applicants with application size of more than ₹ 0.20 million and up to ₹1.00 million; and (b) two-thirds portion was reserved for applicants with application size of more than ₹1. 00 million, provided that the unsubscribed portion in either of such sub-categories was allocated to applicants in the other sub-category of Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price and not less than 35% of the Offer was made available for allocation to RII in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form contained only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor pay-in date as indicated in the Confirmation of Allotment Note.*

(5) *Bids by FPIs with certain structures as described under "Offer Procedure – Bids by FPIs" on page 456 and having the same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with the same PAN) have been proportionately distributed.*

(6) *Bidders were required to confirm and were deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "*Terms of the Offer*" on page 441.

OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with 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 BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; (xiii) price discovery and allocation and (xiv) interest in case of delay in Allotment or refund.

*SEBI, through the UPI Circulars, has introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019. Pursuant to its circular SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, the SEBI has increased the UPI limit from ₹ 0.20 million to ₹ 0.50 million for all the individual investors applying in public issues.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 had extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.*

The SEBI ICDR Master Circular has consolidated and rescinded the aforementioned circulars to the extent they relate to the SEBI ICDR Regulations. Further, the SEBI ICDR Master Circular has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars and the provisions of SEBI ICDR Master Circular, as amended, are deemed to form part of this Draft Red Herring Prospectus. Furthermore, the SEBI RTA Master Circular has consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P2023/140 dated August 9, 2023 and the SEBI ICDR Master Circular) and rescinded these circulars to the extent relevant for the RTAs.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. 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, the Red Herring Prospectus and the Prospectus.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

Our Company, each of the Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 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 Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Investors. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to applicable laws and valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories on proportionate basis, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

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 ID and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020, press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of UPI for Bids by RIIs as per the UPI Circulars

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days.

The UPI Phase III has become applicable on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars 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–Offer BRLMs will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

The processing fees for application made by UPI Bidders using the UPI mechanism may be released to the remitter banks (SCSBs) only after such banks make an application to the BRLMs with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts in the bank accounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer bidding process.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders shall provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

(i) a syndicate member;

(ii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

(iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

(iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

Electronic registration of Bids

(a) The Designated Intermediary may register the Bids using the online 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 online facilities for the Book Building process on a regular basis before the closure of the Offer.

(b) On the Bid / Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the 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 / Offer Closing Date to modify select fields uploaded in the Stock Exchanges' platform during the Bid / Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

(d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered and Corporate Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and UPI Bidders Bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by UPI Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. 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.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. Bidders using the ASBA process to participate in the Offer must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked / unblocked.

Since the Offer is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIIs (other than UPI Bidders) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIIs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

For all IPOs opening on or after September 1, 2022, as specified in SEBI ICDR Master Circular, 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 is applicable for all categories of investors viz. Retail Individual Investors, QIB and NII and also for all modes through which the applications are processed.

UPI Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	[●]
Anchor Investors	[●]

* *Excluding electronic Bid cum Application Forms*

Notes:

1. *Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BScom).*
2. *Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank(s) 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. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLMs 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.

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 should accept UPI Mandate Requests for blocking of funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid / Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks / unblocks, performance of apps and UPI handles, down-time / network latency (if any) across intermediaries and any such processes having an impact / bearing on the Offer Bidding process.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, 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 p.m. on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and Depository 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 4.00 p.m. 4:00 p.m. for QIBs and Non-Institutional Investors categories and up to 5.00 p.m. for Retail Individual category on the initial public offer closure day;

(d) QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids;

(e) The Stock Exchanges shall display Offer 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).

Participation by Promoter, Promoter Group, the Book Running Lead Managers, associates and affiliates of the Book Running Lead Managers and the Syndicate Members and the persons related to Promoter, Promoter Group, Book Running Lead Managers and the Syndicate Members and Bids by Anchor Investors

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Managers nor any associate of the Book Running Lead Managers can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the Book Running Lead Managers;

(ii) insurance companies promoted by entities which are associate of the Book Running Lead Managers;

(iii) AIFs sponsored by the entities which are associate of the Book Running Lead Managers;

(iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Managers; or

(v) Pension funds sponsored by entities which are associate of the Book Running Lead Managers.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Managers" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoter and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoter and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoter or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoter or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLMs reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made, subject to applicable law.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their NRE Account, or Foreign Currency Non-Resident Accounts ("**FCNR Account**"), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their NRO Accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA regulations. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA 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. Pursuant to the resolution of our Board dated December 27, 2024 the aggregate investment limit by NRIs and OCIs was increased from 10% to 24% of the paid-up equity share capital of our Company, provided however, that the shareholding of each NRI or OCI shall not exceed 5% of the total paid-up equity capital of our Company on a fully diluted basis or such other limit as may be stipulated under applicable law in each case, from time to time.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE / NRO accounts.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour).

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities"* on page 468.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form / Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs will be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Offer equity share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increase beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;

(b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;

(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and

(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;

- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The SEBI AIF Regulations, as amended 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 Securities and Exchange Board of India (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 as amended prescribe the investment restrictions on FVCIs.

The Category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A Category III AIF cannot invest more than 10% of its investible funds 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. An FVCI 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) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

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, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with BRLMs, 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 is required to be attached to the Bid cum

Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or (b) the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans / investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company in consultation with BRLMs, reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDA Investment Regulations**"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of (i) the certificate of registration issued by the RBI, (ii) a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), and (iii) such other approval as may be required by the Systemically Important NBFCs must be attached to the Bid-cum Application Form. Failing this, our Company in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, 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 reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLMs, may deem fit.

Bids by provident funds / pension funds

In case of Bids made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLMs reserve the right to reject any Bid, without assigning any reason therefor.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(a) Anchor Investor Application Forms to be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bids are required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100.00 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100.00 million.

(c) One-third of the Anchor Investor Portion is reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid / Offer Opening Date, and will be completed on the same day.

(e) Our Company in consultation with the BRLMs will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100.00 million;
- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100.00 million but up to ₹2,500.00 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and
- in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 10 Anchor Investors for every additional ₹2,500.00 million, subject to minimum Allotment of ₹50.00 million per Anchor Investor.

(f) Allocation to Anchor Investors is required to be completed on the Anchor Investor Bid / Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made, is required to be made available in the public domain by the BRLMs before the Bid / Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) can apply in the Offer under the Anchor Investor Portion.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered as multiple Bids.

(k) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he / she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper, and [●] editions of [●], a widely circulated Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid / Offer Opening Date, the Bid / Offer Closing Date and the QIB Bid / Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise or withdraw their Bid(s) until the Bid / Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. UPI Bidders using the UPI Mechanism must mention their correct UPI ID and shall use only his / her own bank account which is linked to such UPI ID;

4. UPI Bidders Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

5. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name 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. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate Members, Registered Brokers, RTA or CDP;

9. 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;

10. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

11. Ensure that they have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

12. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

13. 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;

14. Bidders should ensure that they receive the Acknowledgment Slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;

15. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

16. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral / bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

18. Ensure that the Demographic Details are updated, true and correct in all respects;

19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

20. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

22. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

23. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

24. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

25. 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;

26. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

27. In case of QIBs and NIIs (other than for Anchor Investor and UPI Bidder), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

28. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank(s), as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

29. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his / her UPI PIN. Upon the authorization of the mandate using his / her UPI PIN, the UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his / her ASBA Account;

30. UPI Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

31. UPI Bidders Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in his / her account and subsequent debit of funds in case of allotment in a timely manner;

32. 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 Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the ASBA Account;

33. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

34. Ensure that ASBA bidders shall ensure that bids above ₹ 0.50 million, are uploaded only by the SCSBs;

35. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid / Offer Closing Date.

36. Investors must ensure that their PAN is linked with Aadhaar ID and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020, press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

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 or in the list displayed on SEBI's website is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid for a Bid Amount which exceeds ₹ 0.20 million (for Bids by RIIs);

4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;

7. Bids by HUFs not mentioned correctly as provided in "- *Bids by HUFs*" on page 456;

8. Anchor Investors should not Bid through the ASBA process;

9. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;

10. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

11. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

14. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid / Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for Physical Applications);

15. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

16. If you are a UPI Bidders using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

17. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 0.50 million;

18. Do not submit the General Index Register (GIR) number instead of the PAN;

19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

21. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise or withdraw their Bids until the Bid / Offer Closing Date;

22. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

23. 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;

24. 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;

25. 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);

26. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;

27. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

28. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

29. Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;

30. Do not submit a Bid cum Application Form with 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. Do not Bid if you are an OCB.

For helpline details of the Book Running Lead Managers pursuant to the SEBI circular bearing reference number 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, see "*General Information – Book Running Lead Managers*" on page 86.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Rejection

In addition to the grounds for rejection of Bids as provided in the GID, Bidders are requested to note that Bids could be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. ASBA Form by the UPI Bidders by using third party bank accounts or using third party linked bank account UPI IDs;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by RIIs with Bid Amount of a value of more than ₹ 0.20 million (net of retail discount);

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids uploaded by QIBs and by Non-Institutional Investors after 4:00 p.m. on the Bid/ Offer Closing and Bids by RIIs after 5:00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

In case of any pre-Offer or post Offer related issues regarding demat credit / refund orders / unblocking, etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see "*General Information – Company Secretary and Compliance Officer*" on page 86.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI 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.

The BRLMs 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 RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLMs shall continue to coordinate with intermediaries involved in the said process.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Individual Investor category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors. The allotment to each Non-Institutional Investor shall not be less than the Minimum NII Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account(s). The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"

(ii) In case of non-resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the

Registrar to the Offer to facilitate collections from Anchor Investors.

Allotment Advertisement

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of a widely circulated English national daily newspaper, [●], [●] editions of a widely circulated Hindi national daily newspaper, [●] and Mumbai editions of a widely circulated Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located).

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated March 10, 2014, amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated May 7, 2014, amongst our Company, CDSL and Registrar to the Offer.

Undertaking by our Company

Our Company undertakes:

(i) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days from the Bid / Offer Closing Date or such other time as may be prescribed;

(iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) that if our Company does not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid / Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(vii) that if our Company in consultation with the BRLMs, withdraw the Offer after the Bid / Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or the Selling Shareholders subsequently decide to proceed with the Offer thereafter;

(viii) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and

(ix) that, except for any (a) allotment of Equity Shares to employees of our Company pursuant to exercise of stock options granted under the ESOS 2024; (b) allotment of Equity Shares to holders of the CCPS (upon conversion); and (d) allotment of Equity Shares pursuant to the Pre-IPO Placement, no further issue of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded / unblocked in the ASBA Accounts on account of non-listing, under-subscription, etc.

Undertakings by the Selling Shareholders

Each of the Selling Shareholders, severally and not jointly, undertakes the following in respect of itself as a Selling Shareholder, and its portion of the Offered Share:

(i) that the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;

(ii) that it is the legal and beneficial owner of, and have clear title to its respective portion of the Offered Shares;

(iii) that they shall not have recourse to the proceeds of the Offer for Sale which shall be held in escrow in its favour, until final listing and trading approvals have been received from the Stock Exchanges; and

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"***Any person who –***

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1.00 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

Utilisation of Offer Proceeds

Our Board certifies that:

- all monies received out of the Offer shall be credited / transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;

- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized 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 effect 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. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. For further details, see "*Key Regulations and Policies*" on page 243.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

In terms of the FEMA Rule and the FDI Policy, a person resident outside India may make investments into India, subject to certain terms and conditions, and further provided that an entity of a country, which shares land border with India or where the beneficial owner of an investment into India, who is situated in or is a citizen of any such country, shall invest only with the approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the above restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Offer Period.

Foreign Exchange Laws

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Rules, the FDI Policy issued and amended by way of press notes.

Pursuant to the resolution of our Board dated December 27, 2024 the aggregate investment limit by NRIs and OCIs was increased from 10% to 24% of the paid-up equity share capital of our Company, provided however, that the shareholding of each NRI or OCI shall not exceed 5% of the total paid-up equity capital of our Company on a fully diluted basis or such other limit as may be stipulated under applicable law in each case, from time to time.

Pursuant to the FDI Policy, FDI of up to 100% is permitted under the automatic route in our Company.

As per the existing policy of the Government, OCBs cannot participate in this Offer. For more information on bids by FPIs and Eligible NRIs, see "*Offer Procedure*" on page 450. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure – Bids by Eligible NRIs*" and "*Offer Procedure – Bids by FPIs*" on pages 455 and 456, respectively.

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

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholders and the Book Running Lead Managers 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.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws 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 IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. The provisions of the Articles of Association of our Company are detailed below. No material clause of the Articles of Association having bearing on the Offer or the disclosures required in this Draft Red Herring Prospectus has been omitted.

As on the date of this Draft Red Herring Prospectus, the provisions of the Articles of Association of our Company are in compliance with the Companies Act.

*The Articles of Association of our Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the date of receipt of the final listing and trading approval from the stock exchanges for commencement of trading of the equity shares of our Company in relation to the proposed initial public offering of the equity shares of the Company (the "**IPO**" of the "**Equity Shares**" of the Company). In case of any inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall prevail and be applicable. All articles of Part B shall automatically terminate and cease to have any force and effect from the date of receipt of the final listing and trading approvals from the stock exchanges for commencement of trading of the equity shares of the Company in relation to the proposed Offer of our Company and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.*

PART A

1. **DEFINITIONS AND INTERPRETATION**

In these Articles, the following words and expressions, unless repugnant to the subject, shall mean the following:

a. "***Act***" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

b. "***Annual General Meeting***" means the annual general meeting of the Company convened and held in accordance with the Act.

c. "***Articles of Association***" **or** "***Articles***" mean these articles of association of the Company, as may be altered from time to time in accordance with the Act.

d. "***Board***" or "***Board of Directors***" means the board of directors of the Company in office at applicable times.

e. "***Company***" means Rite Water Solutions (India) Limited, a company incorporated under the laws of India.

f. "***Depository***" means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

g. "***Director***" shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of these Articles.

h. "***Shares***" means the Equity shares and Preference shares of the Company unless otherwise mentioned.

i. "***Equity Shares***" shall mean the issued, subscribed and fully paid-up equity shares of the Company as per the Memorandum of Association.

j. "***Exchange***" shall mean BSE Limited and the National Stock Exchange of India Limited.

k. "***Extraordinary General Meeting***" means an extraordinary general meeting of the Company convened and held in accordance with the Act;

l. "***General Meeting***" means any duly convened meeting of the shareholders of the Company and any adjournments thereof;

m. "***IPO***" means the initial public offering of the Equity Shares of the Company;

n. “***Member***” means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository;

o. “***Memorandum***” or “***Memorandum of Association***” means the memorandum of association of the Company, as may be altered from time to time, in accordance with the Act;

p. “***Office***” means the registered office, for the time being, of the Company;

q. “***Officer***” shall have the meaning assigned thereto by the Act;

r. “***Ordinary Resolution***” shall have the meaning assigned thereto by the Act;

s. “***Register of Members***” means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository; and

t. “***Special Resolution***” shall have the meaning assigned thereto by the Act.

Except where the context requires otherwise, these Articles will be interpreted as follows:

a. headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles.

b. where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;

c. words importing the singular shall include the plural and vice versa;

d. all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;

e. the expressions “hereof”, “herein” and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expression appears;

f. the *ejusdem generis* (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, ***include*** and ***including*** will be read without limitation;

g. any reference to a ***person*** includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind, whether or not having separate legal personality. A reference to any person in these Articles shall, where the context permits, include such person’s executors, administrators, heirs, legal representatives and permitted successors and assigns;

h. a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;

i. references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs.

j. a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:

    i. that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and

    ii. any subordinate legislation or regulation made under the relevant statute or statutory provision;

k. references to writing include any mode of reproducing words in a legible and non-transitory form; and

l. references to ***Rupees, Rs., INR, ₹*** are references to the lawful currency of India.

SHARE CAPITAL AND VARIATION OF RIGHTS

2. **AUTHORISED SHARE CAPITAL**

The authorised share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company, subject to the provisions of applicable law for the time being in force.

3. **NEW CAPITAL PART OF THE EXISTING CAPITAL**

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

4. **KINDS OF SHARE CAPITAL**

The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

a. Equity Share capital:

   i. with voting rights; and/or

   ii. with differential rights as to dividend, voting or otherwise in accordance with the Act; and

b. Preference share capital.

5. **SHARES AT THE DISPOSAL OF THE DIRECTORS**

Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of all or any of such shares to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board of Directors think fit.

6. **CONSIDERATION FOR ALLOTMENT**

The Board of Directors may issue and allot shares of the Company as payment in full or in part, for any property/assets 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 the acquisition and/or 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 as fully paid up shares.

7. **SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CAPITAL**

Subject to the provisions of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

a. increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

b. sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;

c. cancel shares which at the date of such General Meeting 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;

d. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and

e. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

8. **FURTHER ISSUE OF SHARES**

8.1 Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

i. to the persons who at the date of the offer are holders of the 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 conditions mentioned in (ii) to (iv) below;

ii. The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days (or such lesser number of days as may be prescribed under applicable law) and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

iii. 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 sub-clause (ii) shall contain a statement of this right;

iv. After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;

a. to employees under any scheme of employees' stock option subject to Special Resolution passed by the shareholders of the Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or

b. to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in Article 8.1 (a) or Article 8.1 (b) 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 such conditions as may be prescribed under the Act and the rules made thereunder; provided that in respect of issue of shares as aforesaid, subsequent to listing of the equity shares of the Company on the Exchange(s) pursuant to the IPO, the price of the shares shall be determined in accordance with applicable provisions of regulations made by Securities and Exchange Board of India and/or other applicable laws and the requirement for determination of price through valuation report of a registered valuer under the Act and the rules made thereunder shall not be applicable unless otherwise required under the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

8.2 Nothing in Article 8.1(a)(iii) shall be deemed:

a. To extend the time within which the offer should be accepted; or

b. To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

8.3 Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a Special Resolution passed by the Company in a General Meeting.

8.4 Notwithstanding anything contained in Article 8.3 hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

9. **RIGHT TO CONVERT DEBENTURES AND LOANS INTO CAPITAL**

Notwithstanding anything contained in sub-clauses(s) of Article 8 above, but subject, however, to the provisions of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company.

10. **ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES**

Any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a Member.

11. **RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT**

The Board shall observe the restrictions as regards allotment of shares to the public contained in the Act, and as regards return on allotments, the Directors shall comply with applicable provisions of the Act.

12. **MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY**

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 inscription of the name of allottee in the Register as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

13. **INSTALLMENTS ON SHARES**

If, by the conditions of allotment of any shares, whole or part of the amount or issue price 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 and from time to time, shall be the registered holder of the share or his legal representative.

14. **MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS**

Every Member or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board shall from time to time, in accordance with these Articles require or fix for the payment thereof.

15. **VARIATION OF SHAREHOLDERS' RIGHTS**

a. If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourth of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class, as prescribed by the Act.

b. Subject to the provisions of the Act, to every such separate meeting, the provisions of these Articles relating to meeting shall *mutatis mutandis* apply.

16. **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.

c. **Compulsorily Convertible 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 compulsorily convertible preference shares, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion of such shares into such securities on such terms as they may deem fit.

17. **PAYMENTS OF INTEREST OUT OF CAPITAL**

The Company shall have the power to pay interest out of its capital on so much of the shares which have been issued for the purpose of raising money to defray the expenses of the construction of any work or building for the Company in accordance with the Act.

18. **COMPROMISE, ARRANGEMENTS AND AMALGAMATIONS**

Subject to the applicable provisions of the Act, the Company is empowered to enter into any Schemes of Arrangement or compromises with its creditors and/or members of the Company and/or any class of such creditors or members, including but not limited to hive-off or demerger of any of its business or units and also to amalgamate or cause itself to be amalgamated with any other person, firm or body corporate.

SHARE CERTIFICATES

19. **ISSUE OF SHARE CERTIFICATE**

Every Member shall be entitled, without payment, to one share certificate 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 so determine) to several share certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such share certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case maybe or within a period of six (6) months from the date of allotment in the case of any allotment of debenture. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one share certificate, and delivery of a share certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

New share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such share certificate shall be issued in the manner prescribed under Section 46 of the Act and the rules framed thereunder.

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. Every share 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.

20. **RULES TO ISSUE SHARE CERTIFICATES**

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format and signing of the share certificates and records of the share certificates issued shall be maintained in accordance with the said Act.

21. **ISSUE OF NEW SHARE CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED**

If any share 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 share certificate may be issued in lieu thereof, and if any share certificate is lost or destroyed then upon proof thereof to the satisfaction of the

Company and on execution of such indemnity as the Company deem adequate, being given, a new share certificate in lieu thereof shall be given to the party entitled to such lost or destroyed share certificate. Every share certificate under the Article shall be issued upon on payment of INR 20 for each share certificate.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Exchanges or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.

UNDERWRITING & BROKERAGE

22. **COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.**

a. Subject to the provisions of the Act and other applicable laws, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company and provisions of the Act shall apply.

b. The Company may also, in any issue, pay such brokerage as may be lawful.

c. 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.

LIEN

23. **COMPANY'S LIEN ON SHARES / DEBENTURES**

The Company shall subject to applicable law have a first and paramount lien:

(a) on every share / debenture (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of 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; and

(b) on all shares/debentures (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.

Provided that the Board may at any time declare any share/ debenture to be wholly or in part to be exempt from the provisions of this Article.

The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

24. **LIEN TO EXTEND TO DIVIDENDS, ETC.**

The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares / debentures.

25. **ENFORCING LIEN BY SALE**

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

a. unless a sum in respect of which the lien exists is presently payable; or

b. until the expiration of fourteen (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 to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member 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.

26. **VALIDITY OF SALE**

To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

27. **VALIDITY OF COMPANY'S RECEIPT**

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

28. **APPLICATION OF SALE PROCEEDS**

The 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 and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to the person entitled to the shares at the date of the sale.

29. **OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN**

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

30. **PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

CALLS ON SHARES

31. **BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES**

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders' in a General Meeting.

32. **NOTICE FOR CALL**

Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

33. **CALL WHEN MADE**

The Board of Directors 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 such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

34. **LIABILITY OF JOINT HOLDERS FOR A CALL**

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

35. **CALLS TO CARRY INTEREST**

If a Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

36. **DUES DEEMED TO BE CALLS**

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

37. **EFFECT OF NON-PAYMENT OF SUMS**

In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

38. **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

The Board –

(a) may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him.

39. **PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

FORFEITURE OF SHARES

40. **BOARD TO HAVE A RIGHT TO FORFEIT SHARES**

If a Member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

41. **NOTICE FOR FORFEITURE OF SHARES**

The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen days from the date of services of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

42. **RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

43. **FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY**

Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated 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 thinks fit.

44. **ENTRY OF FORFEITURE IN REGISTER OF MEMBERS**

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting Member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

45. **MEMBER TO BE LIABLE EVEN AFTER FORFEITURE**

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

46. **EFFECT OF FORFEITURE**

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.

47. **CERTIFICATE OF FORFEITURE**

A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

48. **TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES**

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.

49. **VALIDITY OF SALES**

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser’s name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person.

50. **CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the share certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue duplicate share certificate(s) in respect of the said shares to the person(s) entitled thereto.

51. **BOARD ENTITLED TO CANCEL FORFEITURE**

The Board may at any time before any share so forfeited shall have been sold, reallotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit.

52. **SURRENDER OF SHARE CERTIFICATES**

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such terms as they think fit.

53. **SUMS DEEMED TO BE CALLS**

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.

54. **PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.**

The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

TRANSFER AND TRANSMISSION OF SHARES

55. **REGISTER OF TRANSFERS**

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer, as prescribed under the Act and rules notified thereunder and as per applicable requirements specified by the Exchanges.

56. **ENDORSEMENT OF TRANSFER**

In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing share certificate in the name of the transferee.

57. **INSTRUMENT OF TRANSFER**

(a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any share certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.

(b) The Board may decline to recognize any instrument of transfer unless-

(i) the instrument of transfer is in the form prescribed under the Act;

(ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of shares.

(c) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

58. **EXECUTION OF TRANSFER INSTRUMENT**

Every such instrument of transfer shall be executed, both by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

59. **CLOSING REGISTER OF TRANSFERS AND OF MEMBERS**

Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days' notice or such period as may be prescribed, to close the transfer books, Register of Members, the register of debenture holders at such time or times, and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

60. **DIRECTORS MAY REFUSE TO REGISTER TRANSFER**

Subject to the provisions of these Articles and other applicable provisions of the Act or any other applicable law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of 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. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being 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. Transfer of shares/debentures in whatever lot shall not be refused.

61. **TRANSFER OF PARTLY PAID SHARES**

Where in the case of partly paid shares, an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

62. **TITLE TO SHARES OF DECEASED MEMBERS**

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

63. **TRANSFERS NOT PERMITTED**

No share shall in any circumstances be transferred to any minor insolvent or a person of unsound mind, except fully paid shares through a legal guardian.

64. **TRANSMISSION OF SHARES**

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, 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 as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent Member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

65. **RIGHTS ON TRANSMISSION**

A person becoming entitled to a share by transmission shall, reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirements of notice have been complied with.

66. **SHARE CERTIFICATES TO BE SURRENDERED**

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 (save as provided in the Act) properly stamped and executed instrument of transfer.

67. **COMPANY NOT LIABLE TO NOTICE OF EQUITABLE RIGHTS**

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusing or neglecting to do so, 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.

68. **TRANSFER AND TRANSMISSION OF DEBENTURES**

The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

ALTERATION OF CAPITAL

69. **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.

70. **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.

71. **SHARES MAY BE CONVERTED INTO STOCK**

Where shares are converted into stock:

a. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

   Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

b. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;

c. such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"Member" shall include "stock" and "stock-holder" respectively.

72. **REDUCTION OF CAPITAL**

The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

a. its share capital; and/or

b. any capital redemption reserve account; and/or

c. any share premium account

and in particular without prejudice to the generality of the foregoing power may be: (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or (ii) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

73. **DEMATERIALISATION OF SECURITIES**

a. The Company shall recognise interest in dematerialised securities under the Depositories Act, 1996.

Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue (in case of the Company only), deal in, hold the securities (including shares) with a Depository in electronic form and the share certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other Applicable Law.

b. Dematerialisation/Re-materialisation of securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, re materialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

c. Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

d. Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

e. Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security 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 securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security 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 security 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 securities held in materialised and dematerialised 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, 1996 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 of Members, resident in that state or country.

74. **BUY BACK OF SHARES**

Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities

GENERAL MEETINGS

75. **ANNUAL GENERAL MEETINGS**

a. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.

b. An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.

76. **EXTRAORDINARY GENERAL MEETINGS**

All General Meetings other than the Annual General Meeting shall be called “Extraordinary General Meeting”. Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

77. **EXTRAORDINARY MEETINGS ON REQUISITION**

The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

78. **NOTICE FOR GENERAL MEETINGS**

All General Meetings shall be convened by giving not less than clear twenty one (21) days’ notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

79. **SHORTER NOTICE ADMISSIBLE**

Upon compliance with the relevant provisions of the Act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice of less than twenty one (21) days.

80. **CIRCULATION OF MEMBERS’ RESOLUTION**

The Company shall comply with provisions of Section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of Members.

81. **SPECIAL AND ORDINARY BUSINESS**

(a) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.

(b) In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

82. **QUORUM FOR GENERAL MEETING**

Five (5) Members or such other number of Members as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

83. **TIME FOR QUORUM AND ADJOURNMENT**

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

84. **CHAIRMAN OF GENERAL MEETING**

The chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company.

85. **ELECTION OF CHAIRMAN**

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the Members present shall choose a Member to be the chairman.

86. **ADJOURNMENT OF MEETING**

Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, 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. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

87. **VOTING AT MEETING**

At any General Meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

88. **DECISION BY POLL**

If a poll is duly demanded in accordance with the provisions of the Act, it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

89. **CASTING VOTE OF CHAIRMAN**

In case of equal votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member.

90. **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 Act, 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.

b. Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the Act.

c. If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

VOTE OF MEMBERS

91. **VOTING RIGHTS OF MEMBERS**

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

a. On a show of hands every Member holding Equity Shares and present in person shall have one vote.

b. On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up Equity Share capital.

c. A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

92. **VOTING BY JOINT-HOLDERS**

In case of joint holders, the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders.

93. **VOTING BY MEMBER OF UNSOUND MIND**

A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or legal guardian may, on a poll, vote by proxy.

94. **NO RIGHT TO VOTE UNLESS CALLS ARE PAID**

No Member shall be entitled to vote at any 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.

95. **PROXY**

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

96. **INSTRUMENT OF PROXY**

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

97. **VALIDITY OF PROXY**

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

98. **CORPORATE MEMBERS**

Any corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized 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 Member of the Company (including the right to vote by proxy).

DIRECTOR

99. **NUMBER OF DIRECTORS**

a. Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year.

   Provided that the Company may appoint more than fifteen (15) Directors after passing a Special Resolution.

b. The Board of the Company shall include such number of independent Directors as prescribed under Applicable Law ("**Independent Directors**").

c. The first Directors of the Company shall be:

   1. Mrs Vaishali Gan w/o Vinayak Gan; and

   2. Mrs. Radhika Dorle w/o Vinay Dorle

100. **SHARE QUALIFICATION NOT NECESSARY**

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

101. **ADDITIONAL DIRECTORS**

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Any such additional director shall hold office only up to the date of the upcoming Annual General Meeting, unless his/her appointment is regularized by the shareholders in such Annual General Meeting.

102. **ALTERNATE DIRECTORS**

a. The Board may, appoint a person, not being a person holding any alternate directorship for any other Director in the Company, to act as an alternate director for a Director during his absence for a period of not less than 3 (three) months from India (hereinafter in this Article called the "**Original Director**").

b. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

103. **APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY**

If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by Members in the immediate next General Meeting. The Director so appointed shall hold office only up to the date which the Director in whose place he is appointed would have held office if it had not been vacated.

104. **REMUNERATION OF DIRECTORS**

a. A Director (other than a managing Director or whole-time 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 of Directors or any committee thereof attended by him. The remuneration of Directors including managing Director and/or whole-time Director may be paid in accordance with the applicable provisions of the Act.

b. The Board of Directors may allow and pay or reimburse any Director who is not a bona fide resident of the place where a meeting of the Board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling, and out-of-pocket expenses and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the Company.

c. The managing Directors/ whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

105. **REMUNERATION FOR EXTRA SERVICES**

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Director as a Member of any committee formed by the Directors) in going or residing away from the town in which the Office of the Company may be situated for any purposes of the Company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

106. **CONTINUING DIRECTOR MAY ACT**

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

107. **VACATION OF OFFICE OF DIRECTOR**

The office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

ROTATION AND RETIREMENT OF DIRECTOR

108. **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 the managing director appointed or the Directors appointed as a debenture director 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.

109. **RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION**

A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

110. **WHICH DIRECTOR TO RETIRE**

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lots.

111. **POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION**

Subject to the provisions of the Act, the Company may by an Ordinary Resolution in General Meeting, remove any Director before the expiration of his period of office and may, by an Ordinary Resolution, appoint another person instead.

Provided that an independent director re-appointed for second term under the provisions of the Act shall be removed by the Company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

112. **DIRECTORS NOT LIABLE FOR RETIREMENT**

The Company in General Meeting may, when appointing a person as a Director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period until the happening of any event of contingency set out in the said resolution.

113. **DIRECTOR FOR COMPANIES PROMOTED BY THE COMPANY**

Directors of the Company may be or become a director of any company promoted by the Company or in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company subject to compliance with applicable provisions of the Act.

PROCEEDINGS OF BOARD OF DIRECTORS

114. **MEETINGS OF THE BOARD**

a. The Board of Directors shall meet at least once in every three (3) months with a maximum gap of one hundred and twenty (120) days between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

b. The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one independent director, if any.

c. The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.

d. To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

115. **QUESTIONS AT BOARD MEETING HOW DECIDED**

Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote.

116. **QUORUM**

Subject to the provisions of the Act, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term ‘interested director' means any Director whose presence cannot, by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on the concerned matter or resolution.

117. **ADJOURNED MEETING**

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

118. **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.

b. 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.

119. **POWERS OF DIRECTORS**

a. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

b. 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 maybe, by such person and in such manner as the Board shall from time to time by resolution determine.

120. **DELEGATION OF POWERS**

a. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.

b. Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

c. The Board shall from time to time form committees of the Board and the Board shall determine the composition of such committees based on the statutory requirements and the skill sets of the Directors seeking representation of the committees and may also nominate Chairperson of such committees.

121. **ELECTION OF CHAIRMAN OF COMMITTEE**

a. Subject to Article 120, a committee may elect a chairman of its meeting. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the chairman of the committee meeting.

b. The quorum of a committee may be fixed by the Board of Directors.

122. **QUESTIONS HOW DETERMINED**

a. A committee may meet and adjourn as it thinks proper.

b. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

123. **VALIDITY OF ACTS DONE BY BOARD OR A COMMITTEE**

All acts done by any meeting of the Board, of a committee thereof, or by any person acting as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if even such Director or such person has been duly appointed and was qualified to be a Director.

124. **RESOLUTION BY CIRCULATION**

Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India, not being less in number than the quorum fixed of the meeting of the Board or the committee, as the case may be and to all other Directors or Members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

125. **MAINTENANCE OF FOREIGN REGISTER**

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit respecting the keeping of any register.

126. **BORROWING POWERS**

a. Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

b. The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

c. To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and he same shall be in the interests of the Company.

d. Any bonds, debentures, debenture-stock or other securities may if permissible under applicable 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, attending (but not voting) in the General Meeting, 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.

127. **NOMINEE DIRECTORS**

a. Subject to the provisions of the Act, so long as any moneys remain owing by the Company to Financial Institutions regulated by the Reserve Bank of India, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any Non-Banking Financial Company regulated by the Reserve Bank of India or any such company from whom the Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforementioned companies of financial institutions holds or continues to hold debentures /shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished on behalf of the Company remains outstanding, and if the loan or other agreement with such institution/ corporation/ company (hereinafter referred to as the "**Corporation**") so provides, the Corporation may, in pursuance of the provisions of any law for the time being in force or of any agreement, have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Director/s is/are hereinafter referred to as "**Nominee Directors/s**") on the Board of the Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).

b. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board meetings and of the meetings of the committee of which Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.

c. The Company may pay the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of the Company the fees, commission, monies and remuneration in relation to such Nominee Director/s may accrue to the nominee appointer and same shall accordingly be paid by the Company directly to the Corporation.

d. Provided that the sitting fees, in relation to such Nominee Director/s shall also accrue to the appointer and same shall accordingly be paid by the Company directly to the appointer.

128. **REGISTER OF CHARGES**

The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

129. **MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS**

a. The Board may from time to time and in accordance with the applicable provisions of the Act, appoint one or more of the Directors to the office of the managing director and/ or whole time directors for such term and subject to such remuneration, terms and conditions as they may think fit.

b. The Directors may from time to time resolve that there shall be either one or more managing directors and/ or whole-time directors.

c. In the event of any vacancy arising in the office of a managing director and/or whole time director, the vacancy shall be filled by the Board of Directors subject to the approval of the Members.

d. If a managing director and/or whole time director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing director/whole time director.

e. The managing director and/or whole time director shall not be liable to retirement by rotation as long as he holds office as managing director or whole-time director.

130. **POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR**

The managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

131. **REIMBURSEMENT OF EXPENSES**

The managing Directors/whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

132. **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER**

Subject to the provisions of the Act —

a. A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board.

b. A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer of the Company at the same time.

c. A provision of the Act or the Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

DIVIDEND

133. **COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS**

The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

134. **INTERIM DIVIDENDS**

Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

135. **RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND**

a. Where capital is paid in advance of calls, such capital, whilst carrying interest, shall not confer a right to dividend or to participate in the profits.

b. Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account of Rite Water Solutions (India) Limited".

c. The Company shall, within a period of ninety days of making any transfer of an amount under sub- section (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.

d. If any default is made in transferring the total amount referred to in sub-section (c) or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.

e. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.

f. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

g. All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

136. **DIVISION OF PROFITS**

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

137. **DIVIDENDS TO BE APPORTIONED**

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

138. **RESERVE FUNDS**

a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit.

b. The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

139. **DEDUCTION OF ARREARS**

Subject to the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the Company.

140. **RETENTION OF DIVIDENDS**

The Board may retain dividends payable upon shares in respect of which any person is, under Articles 55 to 68 hereinbefore contained, entitled to become a Member, until such person shall become a Member in respect of such shares.

141. **RECEIPT OF JOINT HOLDER**

Any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other moneys payable in respect of such shares.

142. **DIVIDEND HOW REMITTED**

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

143. **DIVIDENDS NOT TO BEAR INTEREST**

No dividends shall bear interest against the Company.

144. **TRANSFER OF SHARES AND DIVIDENDS**

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

145. **CAPITALISATION OF PROFITS**

a. The Company in General Meeting, may, on recommendation of the Board resolve:

   i. that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and

   ii. that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions.

b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision below, either in or towards:

   i. paying up any amounts for the time being unpaid on shares held by such Members respectively;

   ii. paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;

   iii. partly in the way specified in sub-clause b(i) and partly that specified in sub- clause b(ii);

   iv. a securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;

   v. The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.

BONUS

146. **POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE**

a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:

   i. make all appropriations and applications of the undivided profits/reserves resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other 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 fractions; and

   ii. to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.

c. Any agreement made under such authority shall be effective and binding on such Members.

ACCOUNTS

147. **WHERE BOOKS OF ACCOUNTS TO BE KEPT**

The Books of Account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act.

148. **INSPECTION BY DIRECTORS**

The books of account and books and papers of the Company, or any of them, shall be open to the inspection of Directors in accordance with the applicable provisions of the Act.

149. **INSPECTION BY MEMBERS**

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.

SERVICE OF DOCUMENTS AND NOTICE

150. **MEMBERS TO NOTIFY ADDRESS IN INDIA**

Each registered holder of shares 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.

151. **SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

If a Member has no 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 neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

152. **SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS**

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member 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.

153. **PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS**

Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given:

a. To the Members of the Company as provided by these Articles.

b. To the persons entitled to a share in consequence of the death or insolvency of a Member.

c. To the Directors of the Company.

d. To the auditors for the time being of the Company; in the manner authorized by as in the case of any Member or Members of the Company.

154. **NOTICE BY ADVERTISEMENT**

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, 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.

155. **MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS**

Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of Members, shall have been duly served on or sent to the person from whom he derived his title to such share.

Any notice to be given by the Company shall be signed by the managing Director or by such Director or Secretary (if any) or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

156. Subject to the applicable provisions of the Act–

a. If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

b. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

c. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

d. Any person who is or has been a Director or manager, their liability shall be in accordance with the provisions of the Act.

157. **APPLICATION OF ASSETS**

Subject to the provisions of the Act as to preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

158. **DIRECTOR'S AND OTHERS' RIGHT TO INDEMNITY**

Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by him / her including for defending any proceedings or claims or liabilities, whether civil or criminal.

159. **INSURANCE**

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

SECRECY CLAUSE

160. **SECRECY**

No Member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the 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 Members of the Company to communicate to the public.

GENERAL POWER

161. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

162. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**") or of the Act or of the Secretarial Standard issued by the Institute of Company Secretaries of India ("**Secretarial Standards**"), the provisions of the Listing Regulations or the Act or the Secretarial Standards shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations or the Act or the Secretarial Standards, from time to time.

PART B

163. Notwithstanding anything to the contrary contained in these Articles (including any other provisions herein of non-obstante nature), this Article 163 and Articles 163 to 177 (and the related defined terms in Article 1) shall apply and shall be effective until the termination of the SHA. Any amendment or modification to this Article 163, and Articles 163 to 177 (and the related defined terms in Article 1) whether directly or indirectly (including through amendments to any other Articles herein or insertion of any new Articles), shall in addition to the consent of the Shareholders by way of special resolution, require the prior written consent of the Investor.

164. Capitalised terms used in this Part B shall have the meaning set out below. Other capitalised terms used but not defined herein shall have the meaning ascribed to such terms in the SHA (*as defined below*):

(i) "**Affiliate(s)**" of a Person ("**Subject Person**") shall mean (a) in the case of any Subject Person other than a natural person, any Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with the Subject Person; (b) in the case of the Subject Person that is a natural person, any Person who is a relative of the Subject Person or any Person (other than a natural person) that is Controlled by the Subject Person

In addition to the foregoing, with respect to an Investor (where the Investor is a Person other than a natural Person), and without prejudice to the foregoing, (i) any fund, collective investment scheme, trust, partnership (including, any co-investment partnership and off-shore fund), special purpose or other vehicle, in which such Investor is a general partner, significant shareholder, investment manager or advisor, settlor, member of a management or investment committee or trustee; (ii) any general partner, investment manager or limited partner of the Investor and/or Investor group; and (iii) any fund, collective investment scheme, trust, partnership (including, any co-investment partnership), special purpose or other vehicle in which any general partner of Investor or an Affiliate of such general manager is a general partner, significant shareholder, investment manager or advisor, settlor, member of a management or investment committee or trustee; shall be for the purpose hereof considered to be an Affiliate of the Investor. Provided, however, and for the avoidance of doubt, the term "Affiliate" shall not include any portfolio company, entity or Person in which the Investor or its Affiliates have an investment;

(ii) "**Affirmative Vote Matters**" shall mean the Board Affirmative Vote Matters and Shareholders Affirmative Vote Matters;

(iii) "**Agreed List**" shall mean the following list of merchant bankers:

(a) Kotak Mahindra Capital Company Ltd.;

(b) Axis Capital Ltd.;

(c) ICICI Securities Limited;

(d) JM Financial Limited;

(e) SBI Capital Market Limited;

(f) IIFL Securities Limited;

(g) Edelweiss Financial Services Limited;

(h) DAM Capital Advisors Ltd. (formerly IDFC Securities Limited);

(i) IDBI Capital Market Services Limited;

(j) Motilal Oswal Investment Advisors Private Limited;

(k) YES Securities (India) Limited;

(l) Ambit Private Limited;

(m) Centrum Capital Ltd;

(n) Anand Rathi Securities Ltd; and

(o) Avendus Capital Private Limited.

(iv) "**Applicable Laws**" or "**Laws**" shall mean all applicable laws, by-laws, statutes, enactments, acts of legislature or parliament, ordinances, rules, regulations, notifications, guidelines, policies, directions, orders, directives, protocols, codes, judgments, decrees, or other pronouncements of any Governmental Authority having the force of law, in the jurisdiction(s) where the Company carries on the Business;

(v) "**Asset(s)**" shall mean all assets and / or properties, rights and interests of every kind, nature, character and description (whether moveable, immoveable, tangible, intangible, absolute, accrued, fixed or otherwise) as operated, hired, rented, owned or leased by the Company from time to time, including, but not limited to cash,

cash equivalents, receivables, securities and note receivables, real estate, plant and machinery, equipment, Intellectual Property, furniture, fixtures and insurance;

(vi) "**Board**" shall mean the board of Directors of the Company, as constituted from time to time in accordance with the provisions of the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Charter Documents and the terms of the Transaction Documents;

(vii) "**Board Affirmative Vote Matters**" shall mean the matters listed in Part A of Schedule 1 of these Articles;

(viii) "**Business**" shall mean (a) providing potable water and water quality improvements solutions with a focus on providing comprehensive, cost effective and sustainable solutions for safe drinking water to habitations where water sources are chemically & biologically contaminated; (b) providing a range of climate-based solutions that address various environmental challenges (including but not limited to solutions comprising- water solutions, solar pumping solutions for irrigation water and IOT-based solutions for sectors such as water, energy; and (c) providing rural development solutions (including solar cooling, digital technology solutions, etc.) to positively impact rural communities

(ix) "**Business Day**" shall mean any day, other than Saturday and Sunday, on which banks in Mumbai, India and Paris, France are open for transaction of business;

(x) "**Cause**" shall mean any of the following acts by a Key Person:

a. (i) being disqualified to act as Director under Section 164 of the Act; or (ii) absenting himself from all the meetings of the Board of Directors held during a period of twelve (12) months without seeking leave of absence from the Board;

b. commission of or conviction for any crime or criminal offense involving monies or other property, theft, misappropriation or any felony or moral turpitude by a court of law;

c. making (i) a misrepresentation or (ii) omission, which may adversely affect the Business, properties, Assets, financial conditions or reputation of Company; and / or

d. negligently or fraudulently committing any other material breach of his obligations under the SHA, the Key Employee Employment Agreement, Memorandum or these Articles; and / or significant failure to perform assigned duties

(xi) "**CCPS**" shall mean the 460,531 (four hundred sixty thousand five hundred and thirty-one) compulsorily convertible preference shares issued by the Company to the Investor having such terms and condition as set out in Schedule 4 of the SHA;

(xii) "**CEO**" shall mean the chief executive officer of the Company;

(xiii) "**CFO**" shall mean the chief financial officer of the Company;

(xiv) "**Charter Documents**" shall mean these Articles and the Memorandum of the Company;

(xv) "**Change in Management**" shall mean change in the managing Director of the Company;

(xvi) "**Competito**r" shall mean any Person whose principal business in India is same or similar to the Business of the Company or any of its Affiliates, as conducted from time to time;

(xvii) "**Closing**" shall have the meaning ascribed to it in the Share Subscription Agreement;

(xviii) "**Closing Date**" shall mean the date on which Closing takes place;

(xix) "**Control**" (including with correlative meaning, the terms, "**Controlling**", "**Controlled by**" and "under common Control with"), with respect to a Person, shall mean (a) the acquisition or control of more than 50% of the voting rights or of the issued share capital of such Person and / or (b) the right to appoint and/or remove all or a majority of the members of the board of directors or other governing body of such Person, and / or (c) the power to direct or cause the direction of the management and policies of such Person, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, through contract or otherwise, and / or (d) control as may be defined under the Act;

(xx) "**Director**" shall mean a person nominated and elected to the Board from time to time in accordance with the terms of the Transaction Documents and the provisions of the Charter Documents and the Act;

(xxi) "**E&S Breach**" shall mean a breach to E&S Requirements or E&S Action Plan;

(xxii) "**E&S Claim**" shall mean any claim, proceeding or investigation by a person in respect of any E&S Requirements;

(xxiii) "**E&S Committee**" shall mean a committee of the Board comprising such Directors subject to Investor Nominee Director being a member;

(xxiv) "**E&S Laws**" shall mean Environmental Laws, Social Laws, and the terms of any permits, licenses, consents, approvals or other authorisations held by the Company under Environmental Laws and Social Laws;

(xxv) "**E&S Requirements**" shall mean:

a. E&S Laws;

b. Anti-Money Laundering Laws

c. Performance Standards;

d. EHS Guidelines;

e. E&S Policy;

f. AML Policy;

g. Compliance with E&S Excluded List;

h. E&S practices of the Company; or

i. E&S Action Plan.

(xxvi) "**EHS Guidelines**" shall mean the Environmental, Health and Safety General Guidelines issued by the International Finance Corporation from time to time;

(xxvii) "**Encumbrance**" shall mean (a) any mortgage, pledge, non-disposal undertaking, escrow, charge, lien or other security interest securing any obligation of any Person or any other contract having a similar effect; and (b) option, pre-emptive right, adverse claim as to title, possession or use, title retention agreement, conditional sale agreement, co-sale agreement, trust (other title exception of whatsoever nature) or other encumbrance of any kind or a contract to give or refrain from giving any of the foregoing, including any restriction imposed under Applicable Law or contract on the transferability of Securities or the Business or any power of attorney (by whatever name called) for creation of any of the aforesaid, and the term "**Encumber**" shall be construed accordingly;

(xxviii) "**Environmental Law**" shall mean any law, rule or regulation (including international treaty obligations having the force of law in India) concerning environmental matters and natural resource management applicable in the jurisdiction of Republic of India;

(xxix) "**Equity Shares**" shall mean the equity shares of the Company having a face value of INR 10 (Indian Rupees Ten only) each;

(xxx) "**Event of Default**" shall have the meaning set out in Article 174 of these Articles;

(xxxi) "**Existing Lenders**" shall mean the lenders of the Company set out in detail in Schedule 12 of the SHA;

(xxxii) "**Exit Period**" shall mean a period of 72 (seventy two) months from the Closing Date;

(xxxiii) "**Financial Year**" shall mean the year that runs from 1st April of each calendar year and ends on 31st March of the subsequent calendar year, unless changed by the Company;

(xxxiv) "**Fully Diluted Share Capital**" in calculations involving Share Capital or number of Equity Shares, means the calculation that should be made assuming that all outstanding convertible preference shares (including CCPS) or convertible debentures, options, employee stock options (if any issued by, or held directly in, the

Company), warrants and other equity-linked Securities convertible into or exercisable or exchangeable for, equity shares of a Person (whether or not, by their term, then currently convertible, exercisable or exchangeable) have been so converted, exercised or exchanged, and the term "**Fully Diluted Basis**" shall be construed accordingly;

(xxxv) "**General Meeting**" shall mean either an annual general meeting or an extraordinary general meeting of the shareholders of the Company;

(xxxvi) "**Governmental Authority**" shall mean any nation or government or any province, state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of India or any other jurisdiction in which the relevant Shareholder conducts business;

(xxxvii) "**INR**" or "**Rupees**" shall mean Indian rupees, being the lawful currency of the Republic of India;

(xxxviii) "**Intellectual Property**" shall mean all intellectual property that the Company owns or uses or is licensed to use in India or elsewhere, and includes all patents, utility models, rights in inventions (whether patentable or not), trade and service marks, trade dress, rights in logos, domain names, get-up and trade names and the goodwill attaching to any of them, right in designs, copyrights, moral rights, topography rights, rights in databases, trade secrets, photographs, confidential information, technology, computer programs, know-how, and any rights, interest or forms of protection of a similar nature, and having equivalent or similar effect to any of them which subsist anywhere in the world, in all cases whether or not registered or registerable and including registrations and applications for registration or grant of any of these and rights to apply for the same and includes without limitation any intellectual property that the Promoter(s) own and which is used by the Company;

(xxxix) "**Investor**" shall mean **WATER ACCESS ACCELERATION FUND S.L.P.**, a professional specialised fund formed as a limited partnership organized and existing under the laws of France, with their principal office at 23 rue d'Anjou, 75008 Paris, France

(xl) "**Investor Nominee Director**" shall mean the nominee director nominated by the Investor as mentioned under Article 167(iii)(a);

(xli) "**IRR**" shall have the meaning ascribed to it under Schedule 9 of the SHA;

(xlii) "**Key Employees**" shall mean (a) the Promoters, (b) any other Person employed or engaged as a chief executive officer, chief financial officer, chief operations officer, chief technical officer or any other 'CXO' level employees by whatever name called, department/designated business heads, (c) any employees holding more than 2% (two percent) of the Share Capital by virtue of exercise of granted employee stock options; (d) any Person identified as 'Key Managerial Personnel' in accordance with the Section 2(51) of the Act; and employees earning a remuneration of INR 7,000,000 (Indian Rupees Seven Million) per annum;

(xliii) "**Key Employee Employment Agreement(s)**" shall mean the employment agreements to be executed by the Company and each of the Promoters in a form mutually acceptable to the Shareholders under such employee agreements;

(xliv) **"Long Stop Date**" shall mean the earlier of the following dates:

(a) the date on which the parties to the SHA agree in writing to terminate any amendment agreement entered in relation to a QIPO; or

(b) upon the Company not being able to achieve to list its equity shares on a recognised stock exchange pursuant to an initial public offering (including QIPO and Promoter QIPO) on or before September 30, 2025;

(c) Termination of the offer agreement in relation to the QIPO in accordance with the terms thereof;

(d) the date of rejection or return of the the draft red herring prospectus filed by the Company in relation to a QIPO by SEBI;

(e) the date on which the Board decides not to undertake the QIPO and/or to withdraw any offer document filed with any regulatory authority in respect of the Offer, including any draft offer document filed with SEBI; or

(f) the date of which the Investor decides to withdraw from the IPO in terms of the SHA.

(xlv) "**Material Adverse Effect**" shall mean Third Party Material Adverse Effect and Warrantors Material Adverse Effect, collectively;

(xlvi) "**Memorandum**" shall mean the memorandum of association of the Company as amended, modified or supplemented from time to time in accordance with Applicable Laws;

(xlvii) "**New Investors**" shall mean investors as per list below;

Sr. No.	Name of Investor	Category of Investor
1.	Mr. Mukul Mahavir Agrawal	Individual
2.	Mr. Sanjay Kumar Singhal	Individual
3.	GJNX Ventures	Partnership Firm
4.	1955 Venture Fund	Partnership Firm
5.	Comercinate Enterprises Private Limited	Private Ltd. Company
6.	Mrs. Sadhana Bhandari	Individual
7.	Lumos Advisors LLP	Body Corporate
8.	Mr. Malav Prakashkumar Shah	Individual
9.	Ceramet Consultants Private Limited	Private Ltd. Company
10.	Mrs. Asha A Patankar	Individual
11.	Shagun Capital Venture	Partnership Firm
12.	Ms. Darshana Rahul Golecha	Individual
13.	Mr. Abhiraj Balraj Jalota	Individual
14.	Mrs. Monika Abhiraj Jalota	Individual
15.	Mr. Vijay Ramvallabh Khetan	Individual
16.	Mr. Alpesh Rajesh Modi - HUF	HUF
17.	Mrs. Sant Kuman Satish Agrawal	Individual
18.	Mr. Chintan Hemantkumar Desai	Individual

(xlviii) "**Ordinary Course of Business**" shall mean, an action taken by or on behalf of the Company that is: (a) in the ordinary course of the Company's day-to-day operations; (b) in accordance with Applicable Laws; and (c) consistent with past practice and existing policies, in relation to the Company's Business;

(xlix) "**Other Shareholder**" shall mean Mr Vishwas Pathak, an Indian resident, bearing PAN No. AAEPP2528E and residing at 24th Floor, 2408, Tower A Titlis Monte South, Bapurao Jagpath Marg, NR Byculla Fire Brigade, Byculla (W), Mumbai, India – 400027;

(l) "**Person**" shall mean and include an individual, an association, a corporation, a firm, a joint venture, a venture capital fund, a trust, an unincorporated organization, a joint stock company or other entity or organization, including a government or political subdivision, or an agency or instrumentality thereof and/or any other legal entity;

(li) "**Performance Standards**" shall mean the IFC's Performance Standards on Social and Environmental Sustainability (including the technical reference documents known as World Bank Group Environmental, Health, and Safety Guidelines), published on the 1st of January 2012

a) all IFC Performance Standards may be downloaded from the IFC website: http://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/IFC+Sustainability/Our+Approach/Risk+Management/Performance+Standards/

b) all World Bank Group Environmental, Health, and Safety Guidelines may be downloaded from the IFC website: http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/our+approach/risk+management/ehsguidelines.;

(lii) "**Prohibited Person**" shall mean any individual or entity that is, or is owned or Controlled by an individual or entity that is:

a. (i) the subject of any sanctions under any economic and trade sanctions administered or enforced by the government of the United States of America (including without limitation, by the Office of Foreign Assets Control of the U.S. Department of Treasury and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom, or (ii) is on the Word Bank Listing of Ineligible Firms (https://www.worldbank.org/en/projects-operations/procurement/debarred-firms), as updated from time to time, or (iii) located, organised or resident in a country or territory that is, or whose government is, the subject of any sanctions described in the foregoing (including without limitation, the Crimea region of Ukraine, Cuba, Iran, North Korea, Sudan and Syria); or (c) a Sanctions Restricted Person;

b. any person that has served a custodial sentence for crimes involving moral turpitude or been subject to criminal penalties for tax evasion, money laundering, funding of terrorism, narcotics trafficking or corruption;

c. unless the Shareholders unanimously determine otherwise, any person that has been indicted or charged (but not yet convicted or acquitted) anywhere in the world for tax evasion, money laundering, funding of terrorism, narcotics trafficking or corruption,

(liii) "**Promoter 1**" shall mean Mr. Vinayak Gan, S/o Shri Shankarrao Gan, aged about 73 years, having PAN ABPPG5577N, residing at Plot No. 19, Krishna Kunj, Friends Colony, Ranapratap Nagar, Nagpur, Maharashtra -440022;

(liv) "**Promoter 2**" shall mean Mr. Abhijeet Gan, S/o Mr. Vinayak Gan, aged about 40 years, having PAN AKFPG9307D, residing at Plot No. 19, Krishna Kunj, R.P.T.S. Road, near Matey Chowk Friends Colony, Ranapratap Nagar, Nagpur, Maharashtra -440022;

(lv) "**Promoters**" shall mean Promoter 1 and Promoter 2, collectively;

(lvi) "**Promoters' Remuneration Threshold**" shall have the meaning ascribed to it under the SHA.

(lvii) "**Promoter QIPO**" shall mean a QIPO undertaken on or prior to 36 (thirty-six) months from the Closing Date which satisfies the following parameters:

a. A valuation which is equal to or more than INR 10,000,000,000 (Indian Rupees Ten Thousand Million) and as may be recommended by the appointed merchant banker out of the Agreed List;

b. the lead underwriter and other consultants/advisors in connection with the IPO are appointed subject to approval of the Investor and such approval shall not be unreasonably withheld;

c. the Equity Securities issued or transferred in such an IPO are duly listed/ quoted on one or more Recognised Stock Exchanges;

d. the IPO complies with all Applicable Laws, including the listing requirements as prescribed by Securities and Exchange Board of India; and

e. The size of the offer for sale component of the QIPO is such that it provides the Investor the ability to sell all of its Securities in priority over all other Shareholders.

(lviii) "**QIPO" or "Qualified IPO**" shall mean the listing of the Company's Equity Shares on the Recognised Stock Exchange;

(lix) "**QIPO Process**" shall mean the formal appointment of all the advisors, consultants including the merchant banker (from the Agreed List) and counsels in relation to the QIPO;

(lx) "**Recognised Stock Exchange**" shall mean Bombay Stock Exchange or National Stock Exchange or another exchange with nationwide presence and as approved by the Board;

(lxi) "**Sanctions Authority**" shall mean the Security Council of the United Nations, the Office of Foreign Assets Control of the US Department of the Treasury, the US State Department, the European Union or any member state thereof, the United Kingdom, including the Asset Freezing Unit of His Majesty's Treasury or any other national or supranational economic sanctions authority regulating the behaviour of a Shareholder (or a holding company thereof);

(lxii) "**Sanctions Restricted Person**" shall mean, at any time any Person,

a) listed in, or otherwise identified for the purposes of, any Sanctions and including, without limitation, any relevant list of designated persons maintained by any Sanctions Authority (as amended, supplemented or substituted from time to time) which shall include but not be limited to:

i. the lists promulgated by the United Nations Security Council or its committees pursuant to resolutions issued under Chapter VII of the United Nations Charter;

ii. ii. the consolidated list of persons, groups and entities subject to EU financial sanctions, as published by the European Union from time to time, and available at: https://data.europa.eu/data/datasets/ consolidated-list-of-persons-groups-entities-subject-to-eu-financial-sactions?locale=en or any official successor website;

iii. the Specially Designated Nationals and Blocked Persons List (and any successor to this list), as published by the United States Department of the Treasury Office of Foreign Asset Control from time to time, and available at:https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx" or any official successor website;

iv. the "UK Sanctions List" maintained by His Majesty's Treasury of the United Kingdom;

v. any other sanctions list of the authorities responsible for maintaining the lists set out above; and

vi. any other sanctions list maintained by any applicable sanctions authority in any jurisdiction in which the Company may conduct its business from time to time;

b) operating, organised, or resident in a country or territory which is the subject of any Sanctions;

c) that is otherwise expressly the target of any Sanctions;

d) owned or Controlled by (if and as ownership and/or control are used under the relevant Sanctions or any published formal guidance in relation to such Sanctions) any such Person under (i) or (ii) above,

e) except if and to the extent that any such Sanction or Sanctions are or would be unenforceable by reason of breach of (i) any provision of Council Regulation (EC) No 2271/96 of 22 November 1996 (or any law or regulation implementing such regulation in any member state of the European Union or the United Kingdom) or (ii) any similar blocking or anti-boycott law;

(lxiii) "**Sanctions**" shall mean any laws, codes, regulations, decrees, orders, decisions, rules or requirements of any nature relating to economic or financial sanctions or restrictive measures which are administered from time to time by any Sanctions Authority;

(lxiv) "**Securities**" shall mean, with respect to the Company, Equity Shares, compulsory convertible debentures, preference shares (including CCPS), options, warrants, loans, shares or other securities of the Company that are directly or indirectly convertible into, or exercisable or exchangeable as Equity Shares;

(lxv) "**SHA"** shall mean the shareholders' agreement dated 25 August 2023 executed between Water Access Acceleration Fund S.L.P, Ritewater Solutions (India) Private Limited, the Promoters and Other Shareholder, read with the amendment dated 9 October 2023, and as further amended from time to time;

(lxvi) "**Share Subscription Agreement**" shall mean share subscription agreement dated 25 August 2023 executed between Water Access Acceleration Fund S.L.P, Ritewater Solutions (India) Private Limited and the Promoters;

(lxvii) "**Share Capital**" shall mean the fully paid-up share capital of the Company on a Fully Diluted Basis from time to time;

(lxviii) "**Shareholder(s)"** shall mean all those Persons holding Securities of the Company, from time to time;

(lxix) "**Shareholders Affirmative Vote Matters**" shall mean the matters listed in Part B of Schedule 1 of these Articles;

(lxx) "**Social Law**" shall mean all or any law, statute, rule, regulation, treaty, directive, direction, by-law, code of practice, circular, guidance note, order, decision of the courts or of any governmental authority or agency or any regulatory body in any jurisdiction relating to any matters concerning (i) labour, (ii) social security, (iii) the regulation of industrial relations (between government, employers and employees), (iv) the regulation of public participation, (v) the protection and regulation of ownership of land rights (both formal and traditional), immovable goods and intellectual and cultural property rights, (vi) the protection and empowerment of indigenous peoples or ethnic groups, (vii) the protection, restoration and promotion of cultural heritage, as applicable and binding upon the Company in the jurisdiction where it carries on the Business;

(lxxi) "**Subscription Amount**" shall have the meaning ascribed to it in the Share Subscription Agreement;

(lxxii) "**Taxes**" shall mean applicable income and other taxes, levies, rates, imposts, duties, deductions, cesses, dues, charges, surcharge and cess, minimum alternate tax and withholdings whatsoever imposed by any Governmental Authority having power to tax and all penalties, fines, surcharges, interest or other payments on or in respect thereof and "Tax" and "Taxation" shall be construed accordingly;

(lxxiii) "**Third Party Material Adverse Effect**" shall mean any change, event or effect, directly or indirectly, that individually or in aggregate, would have a materially adverse effect arising out of or attributable to or a consequence of: (i) changes in the general financial market conditions, changes in conditions generally affecting the industry or the region in which the Company operates, natural disasters, war, terrorism or hostilities; events, changes or developments generally affecting the economy, or the financial or securities markets or political, legislative or regulatory conditions, sabotage or terrorism, cyber-attacks, epidemics, pandemics or disease outbreaks (including the COVID-19 pandemic) or other force majeure events (unless such changes, developments, events or conditions have a disproportionate effect, relative to other industry participants, on the Company); or (ii) any changes in Applicable Law resulting in a force majeure event;

(lxxiv) "**Three Year Business Plan**" shall mean the 3 (three) year business plan of the Company covering the Financial Years 2023-24, 2024-25 and 2025-26, the format of which is set out in Part A of Schedule 11 of the SHA;

(lxxv) "**Transaction Documents**" shall mean collectively (a) the SHA, (b) the Share Subscription Agreement, (c) employment agreements executed by each of the Promoters with the Company, (d) these Articles and (e) such other agreements and / or documents entered into in pursuance or in connection with the Transaction Documents; and

(lxxvi) "**Transfer**" (including with correlative meaning, the term "**Transferred**") shall mean to directly or indirectly, sell, gift, give, assign, transfer, transfer of any interest in trust, mortgage, alienate, hypothecate, pledge, encumber, grant a security interest in, amalgamate, merge or suffer to exist (whether by operation of law or otherwise) any Encumbrance on, any Securities or any right, title or interest therein or otherwise dispose of in any manner whatsoever voluntarily or involuntarily including, without limitation, any attachment, assignment for the benefit of creditors against the Company or appointment of a custodian, liquidator or receiver of any of its properties, business or undertaking and "**Transferee**" shall mean the Person to whom a Transfer is made;

(lxxvii) "**Warrantors Material Adverse Effect**" shall mean any change, event or effect, that individually or in aggregate, would have a materially adverse effect on (a) Business, operations, Assets, condition (financial or otherwise), operating results of the Company or the goodwill of the Company, or (b) a material impact on the ability of the Company to consummate the transactions contemplated under the Transaction Documents.

165. **ANNUAL BUSINESS PLAN**

(i) On or before 30 (thirty) days prior to the end of each Financial Year after the Closing Date, the Board of the Company shall review and update the Three Year Business Plan and agree to a business plan for the forthcoming Financial Year (such agreement will require affirmative vote of Investor Nominee Director), having regard to market conditions, market practices and developments during the preceding Financial Year and the recommendations and comments proposed by the Investor and the Promoters ("**Annual Business Plan**").

(ii) The Annual Business Plan for each Financial Year shall be reviewed by the Board of the Company at least 30 (thirty) days before the start of each Financial Year including the recommendations and comments proposed by the Investor and the Promoters. If the Board of the Company fails to approve the Annual Business Plan (such approval will require affirmative vote of Investor Nominee Director) at least 15 (fifteen) Business Days prior to the start of the relevant Financial Year, then only to the extent of non-approved items, the most recently approved Annual Business Plan shall remain in effect until the non-approved items are approved/agreed to by the Board. However, it is agreed that any deviation up to 10% (ten per cent) in any line item of the Three Year Business Plan / Annual Business Plan shall not require prior approval of the Investor Nominee Director.

(iii) The Company shall operate the Business in accordance with the terms of the Annual Business Plan agreed from time to time and shall not take any actions outside the purview of the Annual Business Plan unless in accordance with the terms of these Articles.

(iv) The provisions of this Article (Annual Business Plan) shall be at all times subject to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations of 2015, as amended ("**SEBI Insider Trading Regulations**") from the date of filing of the RHP with the RoC.

166. **OTHER CONDITIONS AND OBLIGATIONS**

(i) **Auditors:** The current statutory auditors i.e., PKF Sridhar & Santhanam LLP and internal auditors i.e., MBS & Associates, of the Company shall continue with their appointment till expiry of their term i.e., till the date of the Company's annual general meeting for Financial Year 2023-24 and 31 March 2024 respectively. Upon expiry of the term of the current statutory and internal auditors, the statutory and internal auditors shall be appointed by the Company only from the entities set out in Schedule 14 of the SHA and such appointment will not require prior consent of the Investor. However, any change or removal of such auditor(s) shall not be permitted without the prior written consent of the Investor. All fees and expenses in relation to the statutory and internal auditors shall be borne by the Company. The Company and the Promoters shall provide to such auditor full cooperation, assistance and access to the records of the Company. The Investor shall at all times have reasonable access to the internal auditor and shall be entitled to ask queries and clarify all issues that the Investor may have from such internal auditor and obtain copies of such statements and accounts as it may desire. The Company shall cause the internal auditor to, inter alia, suggest and implement better internal control, debtors' management system, cash management, manpower management and inventory management.

(ii) The Company shall cause the internal audit to be done on a quarterly basis and the report shall be submitted to the Board and the Investor within 60 (sixty) days from the end of the relevant quarter. The Company shall ensure full compliance with the internal audit report. The provisions of this Article shall be at all times subject to the SEBI Insider Trading Regulation, from the date of filing of the RHP with the RoC..

(iii) Submission of periodic reports and information relating to the Company and the Business:

a. Until the successful completion of a QIPO the Company shall provide, and the Promoters shall ensure that the Company provides, to the Investor, the following information regarding the Company:

I. the audited consolidated annual accounts and report of the Company for each Financial Year as soon as they are available and in any event within 180 (one hundred and eighty) days of the end of the relevant Financial Year;

II. the unaudited quarterly financial reports of the Company, in the form satisfactory to the Investor as soon as they are available and in any event within 45 (forty-five) days of the end of the relevant quarter. Such reports shall include, but shall not be limited to, operating statements, utilization statements (until full utilization of the Subscription Amount), income statements, balance sheet, cash flow, management discussion and an analysis of the operating management and financial health accompanied by notes. Utilization statements should indicate the amount drawn by the Company, amount utilized and the broad heads under which the amount is utilized by the Company, the balance amount / no lien account etc.;

III. the monthly management information system reports as soon as they are available and in any event within 30 (thirty) days of the end of the relevant month, in a format set out in Schedule 15 of the SHA;

IV. half yearly statutory compliance certificate, in a format set out in Schedule 16 of the SHA within 30 (thirty) days of the end of every 6 (six) months;

V. within 10 (ten) days after the discovery of any Material Adverse Effect, a statement outlining such event and the response of the Company's management on the event;

VI. any material information including appointment / resignation of any key executives within a period of 7 (seven) days from the Company possessing knowledge of the same;

VII. half yearly / annual accounts, operational / physical performance per the formats agreed between the Company and Investor, including parameters for evaluation of social impacts as mentioned in Schedule 13 of the SHA, along with revised business projection for the next Financial Year, within 30 (thirty) days of the relevant period, as the case may be, in a format set out in Schedule 17 of the SHA;

VIII. all such information relating to the Business and its operations, as the Investor may reasonably request, from time to time.

b. Notwithstanding anything contained to the contrary, upon the shareholding of the Investor falling below 5% (five percent), the Company shall provide, and the Promoters shall ensure that the Company provides, to the Investor, the information set out under Article 166(iii)(a)(I), Article 166(iii)(a)(II) and Article 166(iii)(a)(VII) above.

c. The Investor (and each of its authorized representatives, lawyers, accountants and auditors) shall, upon a prior written notice of 7 (seven) days, during normal business hours on a Business Day, be entitled to carry out inspection of the accounts, documents, records, premises, and equipment and all other property of the Company through its authorized representatives and/or agents and the Company shall provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith and all expenses in connection with the inspection shall be borne by the Company, subject to a maximum cap of INR 500,000 (Indian Rupees Five Hundred Thousand). Provided that the grant of such access (i) will not result in any breach of confidentiality on the part of the Investor or its authorized representatives, lawyers, accountants and auditors; and (ii) should not significantly impact the day-to-day operations of the Company.

d. The Investor shall, upon a prior written notice of 7 (seven) days, be entitled to consult with and interview key employees and other members of the management team of the Company. Provided that carrying out such interviews and consultations (i) will not result in any breach of confidentiality provisions on the part of the Investor; and (ii) should not significantly impact the day-to-day operations of the Company.

e. The Investor Nominee Director(s) shall be entitled to pass information concerning the Company to the Investor or its advisors.

f. The provisions of this Article shall be at all times subject to Applicable Law, including the SEBI Insider Trading Regulations, from the date of filing of the RHP with the RoC.

(iv) The Investor and/or the Investor Nominee Director shall not be responsible in any manner for any liabilities, financial or otherwise, that arise out of the Business of the Company, save and except if such liabilities arise due to fraud, wilful misconduct or gross negligence solely attributable to the Investor and/or the Investor Nominee Director.

(v) The Company shall promptly inform the Investor if it has received notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act, or any other notice under any other act or otherwise of any suit or legal process intended to be filed or initiated against the Company or if a receiver or administrator is appointed of any of its properties or Business or undertaking.

(vi) The Company shall inform the Investor of the occurrence of any labour strike, lockout, layoff, shutdown, fire or any event likely to have a Material Adverse Effect on the Company's profits or business with an explanation of the reasons thereof.

(vii) The Company shall:

a. obtain and maintain, at all times, to the satisfaction of the Investor, a directors' and officers' liability insurance policy from a reputable and financially sound insurance provider for an adequate amount to provide a cover for any and all liabilities, costs or expenses (including reasonable legal fees and expenses) accruing, incurred, suffered, and / or borne by the Directors of the Company including the Investor Nominee Director or observer(s) or a director appointed as an alternative director to the Investor Nominee Director, in exercising his or her powers, functions and duties as a Director. The Company shall procure the directors' and officers' liability insurance policy within 45 (forty-five) days from the Closing Date. Further, the Company shall obtain a certificate from the insurance broker confirming that the directors' and officers' liability insurance policy is valid and in effect and submit the same to the Investor every year immediately upon its renewal. The directors' and officers' liability insurance policy shall be reviewed on an annual basis; and

b. obtain and maintain, at all times, a keyman insurance policy in respect of the Key Employees for an adequate amount to provide cover for all the risk eventualities including accident, incapacitation, fatality, disappearance, etc. The Company shall procure the same within 60 (sixty) days from the Closing Date; and

c. keep adequately insured all its properties and equipment against all risks, as per prevailing market standard in the same industry and pay all premia and other sums payable for that purpose.

(viii) The Company and the Promoters shall procure (including through the exercise of voting rights), that none of the Affiliates shall enter into any transaction or have any form of business dealings with any of the Promoters or any of their associates unless such transactions or business dealings are conducted in a transparent manner and on arm's length terms, and in all cases only with prior consent of the Board and prior written consent of the Investor Nominee Director. Further, such transactions shall be subject to transfer pricing audit at the option of the Investor. The cost of such audit, if any, shall be borne by the Company up to a maximum cap of INR 1,000,000 (Indian Rupees One Million). Each of the Promoters further undertakes that any benefit which they or any of their associates derive from any transaction or business dealing in breach of this Article (whether such breach is intentional or inadvertent) shall be forthwith notified to the Investor in writing, and further undertakes to procure that any such benefit (or an equivalent monetary amount) shall be forthwith repaid to the Company as the Investor may direct.

(ix) The Company and the Promoters shall ensure that the compliance officer appointed by the Board provides detailed compliance reports in respect to compliances applicable to the Company including under all Applicable Laws, E&S Requirements as set out in Schedule 6 of the SHA, contractual obligations and reporting any incidences of non-compliance and/or events that may trigger legal action along with the steps taken to remedy the same, to the Board, on a quarterly basis.

(x) Any critical compliance issue and/or event that would have an impact on the Directors, Key Employees and/or would trigger the 'officers in default' provisions should be notified by the Company to all the Directors within 7 (seven) days of knowledge of happening of the same along with the steps taken to remedy the same.

(xi) The Company shall ensure that it will accurately record in all the records of Ministry of Corporate Affairs and the Company website, that the Investor Nominee Director is non-executive director. Further, in case any Governmental Authority seeks information with respect to the Directors, then the Company shall provide accurate representations with respect to the non-executive status of the Investor Nominee Director, if required.

(xii) The Company agrees and hereby undertakes that upon conversion of the Securities held by the Investor into Equity Shares as contemplated herein, the Company shall increase the authorized share capital, if required, so as to enable issuance of the requisite number of Equity Shares to the Investor.

(xiii) The Company shall promptly notify the Investor in writing of any circumstances and conditions which may result in substantial overrun in the original estimate of the costs set out in the Annual Business Plan.

(xiv) **E&S Requirements:** The Company and the Promoters shall ensure that the Company (i) undertakes to develop and implement; and (ii) confirms that it has developed and implemented appropriate environmental and social management policies and procedures to ensure that it conducts its Business in a way that conforms and complies to the E&S Requirements ("**E&S**"), within a period of 60 (sixty) days from the Closing Date. The guidance on minimum content and recommendations in this regard is as set out in Schedule 6 of the SHA. The Company shall adopt and implement the E&S Action Plan ("**E&S Action Plan**") as detailed in Schedule 7 of the SHA and within the timelines specified therein. Provided that in case of failure to implement the E&S Action Plan and E&S Requirements within the stipulated timelines, the Company and the Investor shall mutually agree on the extended timelines for implementing the E&S Action Plan and E&S Requirements, if such delay arises due to any force majeure events or any event attributable to the Governmental Authority. The Company and the Promoters shall ensure that the Company shall not be involved in any of the excluded activities as set out in Schedule 10 of the SHA ("**E&S Excluded List**").

(xv) **Action Plan:** The Company shall adopt and implement Action Plan ("**Action Plan**") as detailed in Schedule 7 of the SHA and within the timelines specified therein.

(xvi) **ESOP**

a. In order to stimulate the growth of the Company by way of strengthening and increasing the key management team, the Company may, in the future, create a pool up to 5% (five percent) of the Shareholding of the Company ("**ESOP Pool**") for issuing stock options to the key employees and to provide the same to the key employees by introducing an Employee Stock Option Plan ("**ESOP Plan**"). Any stock options to employees and officers of the Company shall be issued in accordance with the ESOP Plan. It is clarified that the Promoters and the Other Shareholder shall be excluded from the ESOP Plan and no stock options will be issued to the Promoters and the Other Shareholder.

b. The Company and the Promoters agree that they shall comply with the following, with respect to the grant of the ESOP Pool to the employees of the Company:

I. Subject to approval from the nomination and remuneration committee of the Board, the ESOP Pool shall only be granted to employees only if certain performance criteria are met or exceeded by the individual employees and the Company. The performance criteria shall be approved by the nomination and remuneration committee of the Board.

II. At any point in time, the exercise price of ESOP Pool shall, under no circumstances, be lower than the book value per share resulting from the latest available audited annual or quarterly financial statements of the Company and such exercise price will be determined by the Board.

III. The issue of shares and options under the ESOP Plan shall be made through appropriate mechanisms as may be approved by the Board and the nomination and remuneration committee of the Board from time to time. Such issuance shall be made in accordance with the applicable provisions of the Act and Applicable Law and the key employees may subscribe to such shares and options at the price determined by the Board. Any issue of shares and options under the ESOP Plan will be dilutive to all the Shareholders of the Company on a pro-rata basis.

(xvii) **Rights of Investor**

a. The Investor is not 'promoter' of the Company. The Company and the Promoters undertake to take all necessary steps to ensure that the Investor shall not be considered as promoter of the Company or any Person acting in concert with the Promoter(s) in any public offer-related filing made by the Company or the Promoters.

b. The Investor shall not be required to pledge all or any of the Securities or to provide any other support or assurance to any third party or a negative lien, including but not limited to the lenders to the Company (including Existing Lenders) in relation to the indebtedness availed / to be availed by the Company. Further, the Investor shall not be obligated to give any guarantee or surety on behalf of the Company in relation to the indebtedness availed / to be availed by the Company.

(xviii) **Corrupt Practices:** The Company and the Promoters covenant that the operations of the Company will endeavour to be conducted at all times in compliance with the anti-money laundering statutes of India and any other applicable jurisdictions where it conducts business, the rules and regulations thereunder (collectively, the "**Anti-Money Laundering Laws**"). The Company shall establish all necessary internal controls to ensure compliance of Anti-Money Laundering Laws and Applicable Laws in relation to fraud and shall at all times be in compliance with the anti-money laundering policy as set out in Schedule 8 of the SHA ("**AML Policy**").

(xix) Notwithstanding anything contained herein, in case of any Transfer of Securities held by the Investor, the Company and the Promoters shall provide all representations, warranties, undertakings and indemnities in respect of the Business and operations of the Company including issuance of Securities to the Investor as may be agreed between the Company, Promoters and the transferee.

(xx) Unless otherwise approved by the Board (which will include the approval of the Investor Nominee Director), the Company and the Promoters shall ensure that till the time the Investor holds any Securities in the Company, at least 25% (twenty-five percent) revenues of the Company shall be generated from the business of providing potable water and water quality improvements solutions with focus on providing comprehensive, cost-effective and sustainable solutions for safe drinking water to habitations where water sources are chemically & biologically contaminated. Any breach of this Article 166(xx) shall be construed to an Event of Default.

167. **BOARD MEETINGS**

(i) **Composition of the Board**: As on the Closing Date, the Board of the Company shall consist of not more than 7 (seven) Directors. The Company shall not induct a person/s on its Board, who has been identified as a wilful defaulter in terms of guidelines prescribed by Reserve Bank of India and in case such person is found to be a Director on the Board of the Company, the Company shall be required to take expeditious and effective steps for removal of such person/s from the Board.

(ii) **Promoters' right to appoint Directors:** The Promoters shall collectively have a right to nominate and 2 (two) Directors to the Board (each a "**Promoter Director**" and collectively "**Promoter Directors**"), as long as the Promoters hold more than 50% (fifty percent) Shareholding in the Company. In the event that the Promoters Shareholding in the Company falls below 50% (fifty percent) at any time, then the Promoters will have a right to nominate and maintain such number of Directors on the Board pro-rata to their Shareholding in the Company (and in any case, not more than 2 (two) Promoter Directors). The Promoters agree that the Promoters shall be part of the Promoter Directors during the term of this Agreement. Provided that the composition of the Board and the committees must adhere to the requirements under the applicable law, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), at all times.

(iii) **Investor's right to appoint nominee(s)**

a. Subject to Article 177(i), the Investor shall have the right to nominate 1 (one) nominee director on the Board of Directors of the Company, and each of its subsidiaries (hereinafter referred to as "**Investor Nominee Director**") who is not a director in any Competitor or holds any direct or indirect shareholding or interest in any Competitor. The Investor Nominee Director shall not be required to hold any qualification Securities. The Investor shall have the right to change, remove or replace its Investor Nominee Director from time to time, in accordance with the provisions of the Act. In addition to the Investor Nominee Director, the Investor shall also be entitled to appoint an observer on the Board, at its sole discretion. The Shareholders agree that at no point in time shall it be required that the Investor Nominee Director meet any requirements of an independent director under section 149 of the Act for such compliance.

b. The Investor Nominee Director will not be required to retire by rotation. In case the Investor Nominee Director cannot be appointed as non-rotational Director in accordance with the provisions of Applicable Law, then such nominee may be appointed as rotational Director on the Board. In that event, the Investor and the Promoters shall exercise their voting rights to ensure election of the Investor Nominee Director on the Board on a continuous basis.

c. The Investor Nominee Director shall (unless he/she/they decline in writing) be appointed as member of all the committee(s) that may be constituted by the Board of Directors ("**Committee**").

d. The Investor 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 is payable to the Directors on account of forming part of the Board, the fees, commission, monies and remuneration in relation to such Investor Nominee Director shall accrue to the Investor Nominee Director and the same shall accordingly be paid by the Company directly to the Investor.

e. Any expenditure incurred by the Investor or the Investor Nominee Director and/or observer in connection with their appointment as Director/ observer shall be borne by the Company. The cost of attending the meetings of the Board or of any committee, limited to reasonable travelling and accommodation expenses shall be reimbursed by the Company to the Investor or the Investor Nominee Director and/or observer, as the case may be, in this behalf.

f. The Investor Nominee Director and/or observer shall be entitled to receive all notices, agenda, etc. and to attend all General Meetings and Board meetings and meetings of any committees of which he/she is a member.

g. Subject to Applicable Law, the Investor Nominee Director shall be a non-executive director and the Investor Nominee Director and / or observer shall not be considered as an "officer who is in default" for any purpose. In the event that any notice or proceedings have been filed against any Investor Nominee Director and / or alternate director nominated by Investor ("**Investor Alternate Director**"), as a director, by reason of him / her being included within the scope of "officer in default", the Company and the Promoters shall use all efforts necessary to ensure that the Investor Nominee Director's name is excluded / deleted and the charges / proceedings (civil, criminal or otherwise) against him / her are withdrawn and shall also take all steps to defend him / her against such proceedings. Provided however that the above obligation on the Company and the Promoters will not apply where the cause for such notice or proceeding is directly attributable, (other than by way of voting at any Board meeting) to the Investor Nominee Director and / or Investor Alternate Director as proven in a court of law.

h. Further, the Promoters and the Company undertake to ensure that Directors (other than the Investor Nominee Director and the observer) or suitable Persons are nominated as officers in charge / default and for the purpose of statutory compliances, as 'occupiers' or 'employers', as the case may be, in order to ensure that the Investor Nominee Director and observer do not incur any liability on account of their directorship or being an observer.

i. The Company shall ensure that the Board of Directors is broad-based and comprises of professionals having experience and exposure in the field of finance, legal, technical knowledge (preferably expertise in retail and modern trade) and shall strengthen its second line of management team.

(iv) **Appointment of Independent Directors:** Subject to Applicable Law, the Promoters and the Investor shall jointly appoint 2 (two) independent Directors within 12 (twelve) months from the Closing Date. The independent directors shall be identified and proposed to the Board by the nomination and remuneration committee of the Board and their appointment by the Board shall be subject to consent of the Investor and the Promoters. Such independent directors shall be individuals (a) of integrity and possess relevant expertise and experience in relation to the Business; and (b) satisfy all criteria prescribed under Act. The Company shall ensure that no such director is appointed as a director on the Board who is directly or indirectly associated or linked with any political party. The Shareholders agree that, after 12 (twelve) months from the Closing Date, at least 20% (twenty percent) of the Board of Directors shall always comprise of independent Directors.

(v) **Chairperson**

a. The Shareholders agree that one of the Promoter Directors shall be jointly nominated by the Promoter Directors and Investor Nominee Director as the chairperson of the Board.

b. The chairperson of the Board shall also be the chairperson of a meeting of the Shareholders.

c. The chairperson of the Board shall not have a second or casting vote at any meeting of the Board or at any General Meeting of the Company.

(vi) **Notice**

a. There shall be at least 1 (one) Board meeting in every quarter and at least 4 (four) Board meetings in any calendar year.

b. The chairperson shall, with not less than 7 (seven) days prior written notice to each of the Directors and observers, call for a Board meeting specifying the date, time and place of any meeting of the Board. A meeting of the Board may be held at shorter notice with the written consent (which may be signified by letter or e-mail) of at least 2 (two) Directors, which consent shall necessarily include the consent of the Investor Nominee Director and the Promoter Director.

c. The agenda, notes to agenda and copies of any appropriate supporting papers shall be circulated to the Directors, including the Investor Nominee Director and observer, at least 7 (seven) Business Days prior to the date of the proposed meeting. Sufficient information shall be included in the notice / agenda given to the Directors to enable each Director to make a decision on the issue in question at a Board meeting.

d. No business shall be discussed at a Board meeting unless such business was specifically included in the said agenda. Provided that any matter specifically not included in the agenda may be discussed subject to prior explicit approval of the Investor Nominee Director and the Promoter Directors.

e. The Board shall reserve the right to invite any Key Employees (including CEO, CFO) to attend any of its meetings, as a special invitee.

(vii) **Quorum**

a. The quorum for a Board meeting shall be the higher of one-third of the total strength of the Board or 2 (two) Directors, which shall include the Investor Nominee Director and Promoter Director. A meeting of the Board shall not be held or continued without the presence of the Investor Nominee Director (if appointed and holding office) and Promoter Director unless the Investor Nominee Director or Promoter Director has expressly waived the requirement for his presence in writing or by email. Provided however that, no Board Affirmative Vote Matter shall be taken up, discussed, considered or resolved at any meeting without the prior written consent or affirmative vote of the Investor Nominee Director (if appointed and holding office) and Promoter Director or the Investor (in the event the Investor has not nominated the Investor Nominee Director).

b. If a quorum is not present within 30 (thirty) minutes of the scheduled time for any meeting of the Board, then the meeting shall be adjourned to the next week at the same time and venue ("**First Adjourned Board Meeting**"). Notice of the adjourned meeting shall be given to all Directors and observer by e-mail and the adjourned Board meeting shall consider the same matters as were on the agenda for the meeting that was adjourned.

c. In the event that the quorum requirement as specified in Article 167(vii)(a) above is still not available at the First Adjourned Board Meeting, then the Directors present shall constitute the quorum to conduct business as set out in the notice and detailed agenda for the said meeting, provided that no decisions shall be made or resolutions passed in such adjourned meeting in respect of matters that require consent of the Investor under these Articles, including the Board Affirmative Vote Matters. Under no circumstances shall any item be considered at such reconvened meeting which was not on the agenda for the meeting which was adjourned.

d. The provisions of this Article shall not apply to meetings concerning procedural matters directly in relation to the QIPO.

(viii) **Circular Resolutions**: The Board may act by circular resolution, on any matter, except: (i) matters which by Applicable Law may only be acted upon at a Board meeting; or (ii) Board Affirmative Vote Matters, unless the Investor Nominee Director and 1 (one) Promoter Director consents to such Board Affirmative Matters, being passed by circular resolution. Subject to any restrictions imposed by Applicable Law, no circular resolution shall be deemed to have been duly adopted by the Board, unless such circular resolution shall have been approved by the requisite majority of Directors as provided in these Articles. Such resolution shall be noted and made part of the minutes at a subsequent meeting of the Board.

(ix) **Alternate Director**: Subject to Applicable Law, the Board shall, if requested by any Director (other than an alternate Director) appoint any other Director to act as his alternate during the absence of such Director from India for the period prescribed under the Act. The original Director in whose place such alternate Director is to be appointed shall recommend the alternate Director to the Board. The person to be appointed as the alternate Director shall be the person other than a person holding any alternate directorship for any other Director in the Company. An existing director may, subject to Applicable Law, be appointed as an alternate Director for another Director. In such case a Director so appointed as an alternate for another Director shall, at any Board meeting, have one vote for himself and one vote for the Director for whom he is appointed as an alternate.

(x) **Committees of Board**

a. The Company shall constitute such committees of the Board as required under Applicable Law including audit committee, nomination and remuneration committee (which will approve compensation packages for key managers of the Company), risk committee and/or any other committees as deemed advisable by the Board with such composition and functions as may be required by the Investor and the Promoters for close monitoring of different aspects of the Business.

b. The Investor Nominee Director will be entitled to be appointed as a member of all such committees.

c. If the Investor Nominee Director is appointed as a member of any of the committees, then the participation of Investor Nominee Director shall be required to form quorum for conduct of the committee meetings.

(xi) **Decisions of the Board**

a. Except as mentioned elsewhere in these Articles and subject to Applicable Law, the questions arising at any meeting of the Board or decision by circular resolution shall be decided by a simple majority of votes.

b. Subject to Article 169, decision shall be said to have been made and / or a resolution passed at a Board meeting only if at a validly constituted meeting, such decision and / or the resolution is approved by a majority of the Directors present (physically or through any other means permissible by Applicable Law) and voting at such Board meeting. Notwithstanding anything contained herein, the Shareholders agree that in the event of determination of the existence of Cause or termination of the Promoter for Cause, the Board shall appoint an independent committee of 3 (three) members which shall include (i) person of senior designation from Big 4; (ii) a retired Chief Justice of High Court of Mumbai; and (iii) an individual with similar qualifications in his area of expertise. Provided that the Promoter Directors shall not be permitted to vote with regard to the appointment of members of such independent committee. The costs of such independent committee shall be borne by the Company, provided that if the independent committee comes to a positive conclusion for existence of Cause or termination of Promoter for such Cause, then the costs shall be borne by the Promoters.

(xii) **Other provisions**

a. The Directors may participate in Board meetings by audio-visual means in accordance with the provisions of the Act and the rules prescribed thereunder. The provisions of this Article 167 shall also be applicable to such meetings.

b. Certified true copies of all notices, circulars and minutes of all meetings of the Board shall be circulated to all Directors and their alternates (if applicable), within 7 (seven) Business Days after the holding of such meetings. Any other such information pertaining to the Company which are made available to the Board / Shareholders as maybe reasonably requested by the Investor or the Investor Nominee Director, as the case may be, shall be provided to the Investor or the Investor Nominee Director, as the case may be, within such time as maybe requested by the Investor or the Investor Nominee Director, as the case may be.

c. All the decisions in relation to the compensation packages of the Promoters and senior management shall be finalized in the meeting of compensation committee, wherein the Investor Nominee Director shall be a member. Provided that any increments up to 25% (twenty-five percent) on an annual basis with respect to compensation packages of the senior management will not require prior consent of the Investor. Notwithstanding anything to the contrary contained in these Articles, any revisions to the compensation packages of the Promoters over and above the Promoters' Remuneration Threshold shall be decided by way of simple majority of the nomination and remuneration committee and shall not require prior consent of the Investor provided that for such matters, the valid quorum shall consist of the Investor Nominee Director present and voting in the meeting of the nomination and remuneration committee.

168. **SHAREHOLDERS MEETING**

(i) The Company shall hold not less than 1 (one) General Meeting of the Shareholders in any given calendar year to be called as "**Annual General Meeting**" in each Financial Year. An Annual General Meeting as well as all other general meetings of the Shareholders of the Company shall be called as the "**General Meeting**".

(ii) Prior written notice of 21 (twenty-one) days shall be given to the Shareholders for all General Meetings. All information being tabled at the said General Meeting shall be provided to each Director at least 14 (fourteen) days prior to the said General Meeting. Provided that any Shareholder meeting may be held at shorter Notice (i) in the event of an extra ordinary General Meeting consent of majority in number of members entitled to vote and who represent not less than 65% (Sixty Five percent) of such part of the paid-up share capital of the Company as gives a right to vote at the meeting and (ii) in the event of an Annual General Meeting consent of not less than 65% (Sixty Five percent) of the members entitled to vote at such meeting; which shall, in each case, include prior written consent of the Investor.

(iii) A notice in detail convening a meeting shall specify the date, place, time of the meeting and the business to be transacted thereat shall be given to all the Shareholders along with an agenda stating in reasonable detail, the matters to be considered at such meeting. No business shall be discussed at a meeting of the Shareholders of the Company unless such business was specifically included in the said agenda.

(iv) The quorum for a General Meeting of the Shareholders shall be the presence in person of at least 2 (two) members, one of whom who shall be the authorised representative of the Investor and the Promoters, unless such requirement is waived by the Investor or Promoters in writing. Provided, however, that no quorum shall exist until the authorised representative(s) of the Investor and the Promoters is present at the meetings in which Shareholders Affirmative Vote Matters are to be discussed and decided.

(v) Subject to the requisite quorum being physically present at the place of the meeting, Shareholders not present shall be entitled to join the Shareholders' meeting via videoconference, teleconference or such other manner as may be permissible under the Act.

(vi) In the absence of a quorum, the General Meeting shall be adjourned by the Shareholders present and shall be reconvened 7 (seven) days thereafter on the same day, time and place and if such day is not a Business Day, then to the subsequent Business Day ("**First Adjourned General Meeting**"). Under no circumstances shall any item be considered at such reconvened meeting which was not on the agenda for the meeting which was adjourned.

(vii) In the event that the quorum requirement as specified in Article 168(iv) above is still not available at the First Adjourned General Meeting, then the Shareholders present shall constitute the quorum to conduct business as set out in the notice and detailed agenda for the said meeting, provided that no decisions shall be made or resolutions passed in such adjourned meeting in respect of the matters that require consent of the Investor and/or the Promoters under these Articles, including the Shareholders Affirmative Vote Matters. Under no circumstances shall any item be considered at such reconvened meeting which was not on the agenda for the meeting which was adjourned.

(viii) Voting on all matters to be considered at a general meeting of the Shareholders shall be by way of a poll unless otherwise agreed upon in writing by the Investor and the Promoter.

(ix) Subject to Applicable Laws, the Investor, in respect of the convertible Securities held by it, shall be entitled to voting rights to the same extent as if they were holders of Equity Shares in respect of the number of Equity Shares into which such convertible Securities are convertible. For this purpose, the Investor shall be entitled to vote at each meeting of the holders of Equity Shares of the Company to the extent of such proportion of the total voting rights, as the Investor would have been entitled to assuming full conversion of all such convertible Securities issued to Investor into Equity Shares. For this purpose, these Articles shall at all times during the term of the SHA until the Investor holds any convertible Securities, exclude the applicability of Sections 43 and 47 of the Act. In the event, the exercise of voting rights by an Investor on "as if converted basis" is not permitted under Applicable Law, including any restrictions that may become applicable to the Company pursuant to any corporate action undertaken by it, the Shareholders shall take all necessary actions to ensure that the Investor is entitled to exercise voting rights to the same extent as if it was the holder of Equity Shares in respect of the number of Equity Shares into which such convertible Securities are convertible.

169. **AFFIRMATIVE VOTE MATTERS**

(i) Subject to Article 177(i), the Shareholders hereby agree that notwithstanding any other provision of these Articles, the Company shall consider and decide the matters listed at Part A of Schedule 1 of these Articles only at meetings of the Board or its committee and not by circular resolution, unless the Investor and Promoters specifically agrees otherwise in writing. Further, in addition to and without prejudice to the rights of the Investor and Promoters provided elsewhere in these Articles, no resolution(s) concerning these matters can be validly passed and no action can be taken by the Company without the affirmative vote of the Investor Nominee Director nominated by the Investor and 1 (one) Promoter Director nominated by the Promoters or the express written approval of the Investor and the Promoters, as the case may be, is obtained for it. In case there is no Investor Nominee Director nominated by the Investor on the Board, then all Board Affirmative Vote Matters shall be passed only after obtaining the express written approval of the Investor or if same are consented to by the authorised representative of the Investor and Promoter at the General Meeting.

(ii) Subject to Article 177(i), the Shareholders further agree, that if any of the matters listed at Part B of Schedule 1 of these Articles are proposed at a General Meeting, whether statutorily required to be decided at a General Meeting or otherwise, no resolution in this respect shall be deemed to have been passed unless the affirmative vote of an authorised representative of the Investor and the Promoters has been cast. Provided that if any of the matters listed at Part B of Schedule 1 does not require prior approval of the Shareholders, then affirmative vote of the Investor Nominee Director and 1 (one) Promoter Director nominated by the Promoter shall suffice in this regard.

170. **FURTHER FUNDING**

(i) **Issue of further securities**

a. If the Board resolves to raise further funds through issue of any new Securities ("**Further Securities**"), the Further Securities shall be offered by the Company to the existing Shareholders in accordance with the then existing ratio of shareholding of the Shareholders to the total paid-up share capital of the Company on a Fully Diluted Basis.

b. The Board shall issue a notice to the Shareholders offering the Further Securities in proportion to their shareholding in the paid-up equity share capital of the Company on a Fully Diluted Basis. The Shareholders may, within 30 (thirty) days from the date of receipt of the said notice, subscribe to such number of Further Securities that are offered to them.

c. The Investor, the Other Shareholder and the Promoters shall have the right to subscribe to the Further Securities, by itself and / or through its Affiliates, and the Investor, the Other Shareholder and the Promoters shall be entitled to renounce their respective rights to such extent. In such an event, the Affiliate proposing to subscribe to such Further Securities shall, prior to subscribing to such Further Securities, execute a Deed of Ratification and Accession for new subscribers in the form detailed in Part A of Schedule 3 of the SHA.

(ii) **Right of Pre-Emption**

a. In the event the amounts invested by the Shareholders is less than the additional funds required by the Company (as per Article 170(i)), the Company may raise such deficit funds by issuing Securities to a third party, with the prior consent of the Investor and subject to the process specified under Article 170(ii)(b) to Article 170(ii)(i) below,

b. When the Company receives an offer from a third party to subscribe to Securities for any future financing undertaken by the Company including by making a preferential allotment of Securities ("**New Securities**"), the Company shall give the Investor, a notice ("**Pre-Emption Notice**") specifying:

I. the identity of the Person who has offered to subscribe to the New Securities;

II. the amount of additional funds sought to be raised by the Company;

III. the number of New Securities proposed to be issued;

IV. the price at which the New Securities are proposed to be issued ("**New Securities Price**"); and

V. all other terms and conditions on which such Person has offered to subscribe to the New Securities.

c. The Investor shall, at its option, agree to subscribe to the New Securities wholly or in part, (either by itself or through its Affiliates), up to its pro-rata shareholding in the Company on a Fully Diluted Basis and the Investor shall be entitled to renounce its respective rights to such extent. Any issuance of Securities to the Investor pursuant to this Article 170(ii) shall be at the cost / expense of the Company including all Tax liabilities. Provided that all Tax liabilities shall be borne by the Investor, as the case may be, in case the New Securities are issued at a discount to the fair market value.

d. The Investor shall communicate its decision in this regard within 30 (thirty) Business Days of receipt of the Pre-Emption Notice ("**Offer Period**") from the Company by issuing a notice to the Company specifying the number of New Securities proposed to be subscribed to by it ("**Acceptance Notice**"). In the event Acceptance Notice is received from the Investor, then the New Securities shall be issued to the Investor, which shall be to the extent indicated in the Acceptance Notice by the Investor and correspondingly the shareholding of other Shareholders shall stand diluted in the Company.

e. Within 15 (fifteen) Business Days of the receipt of the Acceptance Notice as per Article 170(ii)(d), the Company shall, simultaneously upon receipt of the New Securities Price from the Investor for the New Securities mentioned in the Acceptance Notice, issue and allot such New Securities to the Investor as per Article 170(ii)(d) in accordance with Applicable Laws, free and clear of all Encumbrances (except as set out in Transaction Documents and Charter Documents the Company). The New Securities issued to the Investor shall rank pari passu in every respect with the other Securities of the Company held by the Investor.

f. If (i) the Investor does not issue the Acceptance Notice within the Offer Period as per Article 170(ii)(d); or (ii) Acceptance Notice is issued but the Investor does not pay the consideration; or (iii) the amounts invested by the Investor is less than the additional funds required by the Company, the Company may, subject to the terms of these Articles including those applicable to preferential allotment, offer such New Securities to a third party on terms no more favourable than those offered under the Pre-Emption Notice. The allotment of New Securities to the third party pursuant to this Article shall be completed within 180 (one hundred and eighty) days of receipt of communication from the Investor of its decision not to exercise its right of first refusal or non-issuance of Acceptance Notice by the Investor or non-payment of consideration by the Investor, and shall be subject to such third party executing the Deed of Ratification and Accession for new subscribers.

g. If the Company does not complete the issue and allotment of the New Securities to a third party within 180 (one hundred and eighty) days as mentioned under Article 170(ii)(f), then the Company shall not be entitled to issue such New Securities to any third party without again following the procedure prescribed under Article 170(ii)(b) above.

h. The Investor may exercise its rights under this Article 170(ii) either itself or through any of its Affiliates. On any Securities being issued to an Affiliate of the Investor pursuant to this Article 170(ii) or on any Securities being acquired by an Affiliate of the Investor pursuant to the provisions of this Article, the Affiliate of the Investor shall have the same rights and obligations as the Investor under these Articles.

i. Such preferential allotment of New Securities shall be undertaken in accordance with the provisions under the Act with respect to preferential allotment.

(iii) The rights set out under this Article 170 shall not be triggered on the occurrence of any of the following events: (a) any issue of Securities in respect of which the Investor have expressly waived its rights in writing; (b) Securities issued in connection with any stock split or consolidation or issuance of bonus shares; (c) Securities issued pursuant to an ESOP scheme approved by the Board; (d) Securities issued pursuant to conversion of any convertible Securities issued to any Shareholder of the Company; and (e) any issue of Securities pursuant to a QIPO (each of the above an "**Exempted Issuance**").

171. **ANTI-DILUTION PROTECTION**

(i) In the event that any future equity financing undertaken by the Company in accordance with Article 170 above (other than an Exempted Issuance as defined in Article 170(iii)), as may be approved by the Investor, at a price or value less than the Conversion Price (as defined in Schedule 4 of the SHA) paid by the Investor under the Share Subscription Agreement, the Investor either by itself or through its Affiliates shall be entitled to either of the following, exercisable at their sole discretion:

a. **Scenario 1:** If the Investor holds any convertible Securities, then the conversion price (as the case maybe) for conversion of such convertible Securities held by the Investor shall be reduced such that the Investor shall be entitled to subscribe to such number of additional Securities at no cost (gross of applicable withholding tax / tax deducted at source) so that the average acquisition price per Security for the Investor is the same as that of such future equity financing undertaken by the Company.

b. **Scenario 2:** If (i) the Investor does not hold any convertible Securities, and / or (ii) the adjustment envisaged under Article 171(i)(a) above, is not possible due to any restrictions under Applicable Law or otherwise, then (a) the Company shall issue such number of Securities at no cost or the lowest price (gross of applicable withholding tax / tax deducted at source) (permissible in the Applicable Law, (b) if elected by the Investor at its sole discretion, the Promoters shall transfer the Securities held by them to the Investor at no cost or lowest price permissible under Applicable Law (gross of applicable withholding tax / tax deducted at source); or (c) subject to Applicable Law, the Company shall buy back the Securities held by Promoters at a price and terms and conditions as may be agreed by the Investor[#]; (d) the Company shall issue additional Securities to the Investor by way of bonus shares or a fresh issue of Equity Shares at no cost or the lowest permissible price (gross of applicable withholding tax / tax deducted at source)as a rights issue or any other mode; or (e) the Company and/or Promoters shall take such measures as may be necessary to give effect to the provisions of this Article 171(ii)(b); such that, in either case, the average acquisition price per Security for the Investor is the same as that of such future equity financing undertaken by the Company. Such issuance of Securities shall be completed prior to the issuance of the Securities to a third party.

(ii) Any issuance and transfer under this Article shall be at the cost/expense of the Company.

(iii) In the event that such issue / transfer of Securities is not possible due to Applicable Laws, the Promoters and the Company shall in good faith arrive at a suitable mechanism to ensure that such intent is achieved within a period of 90 (ninety) days of issue of Securities to the new investor/third party.

(iv) No existing Shareholder or future Shareholder and investor of the Company shall have any rights that are superior or more favourable than the rights available to the Investor and in any case, the Investor shall also be entitled to all the benefits and rights which are being offered to a new investor / third party which are more favourable in nature than those enjoyed by the Investor, at no cost or liability, to the extent relevant. For this purpose, the Company and the Promoters shall provide the Investor with such information as may be required to enable the Investor to take a decision on the matter including making suitable amendments to the Memorandum and these Articles (as applicable) to ensure that the Investor is entitled to similar rights.

(v) In the event that the Company changes the number of Securities issued and outstanding as a result of a reclassification, stock split (including a reverse stock split), or other similar transaction, the number of Securities held by the Investor shall be appropriately adjusted to enable the Investor to maintain its relevant proportion in the shareholding of the Company (on a Fully Diluted Basis).

(vi) It is clarified that any breach of this Article 171 shall be considered to be a material breach of the SHA.

172. **TRANSFER OF SHAREHOLDING**

(i) **Non-Disposal of Shareholdings**

a. The Promoters and the Shareholders (other than the Investor) shall not Transfer the Securities held by them and shall continue to hold all their existing Securities of the Company and those that might be allotted to them in the future by way of bonus, rights issue etc. until the Investor holds any Securities in the Company. Provided that the Promoters shall be permitted to Transfer up to 10% (ten percent) of their Securities to any third party other than a Competitor and / or Prohibited Persons, without the prior written consent of the Investor or requiring compliance with the provisions of Article 172(iii) and Article 172(iv), subject to the following conditions: (i) the Promoters shall, at all times until the Investor holds any Securities in the Company, continue to hold majority Shareholding in the Company, and (ii) only economic benefits shall be provided to the transferee and the transferee shall not be provided with any rights including management and governance rights under these Articles.

b. The Company shall not recognise or register any Transfer of Securities made or to be made by any Shareholders unless such Transfer is in accordance with the terms of these Articles.

c. Notwithstanding anything contained in these Articles, it is agreed between the Shareholders that there shall be no restrictions on the Other Shareholder and the New Investors to Transfer its Securities along with price at which the Securities are proposed to be Transferred, rights thereto and the same shall thus be freely transferrable (other than to Competitors and / or Prohibited Persons) by the Other Shareholder and the New Investors at any point of time subject to the transferee executing a Deed of Ratification and Accession for Transferees (in form as per Part B of Schedule 3 of the SHA) in case of partial transfer of Securities by the Other Shareholder and the New Investors.

(ii) **Transfer of Securities by Investor:**

a. It is expressly agreed by the Shareholders that there shall be no restrictions on Investor to Transfer its Securities along with price at which the Securities are proposed to be Transferred, rights thereto and the same shall thus be freely transferrable (other than to Competitors except as provided under Article 175(i) and / or Prohibited Persons) by Investor at any point of time subject to the transferee executing a Deed of Ratification and Accession for Transferees (in form as per Part B of Schedule 3 of the SHA) in case of partial transfer of Securities by the Investor, provided however that this restriction on Transfer to Competitor shall fall away upon the occurrence of earlier events upon the occurrence of an Event of Default; or (b) upon expiry of the Exit Period. The Promoters and the other Shareholders hereby expressly agree to vote in favour of such a Transfer at any point of time and no prior approval or intimation is required for the same by such Investor. Provided further that, if any time prior to 36 (thirty-six) months from the Closing Date, in the event the QIPO Process is initiated by the Company, then the Investor shall not be allowed to transfer any of the Securities held by it, other than through such QIPO. However, if the draft red herring prospectus is not filed within 6 (six) months of initiation of QIPO Process, then the transfer restriction mentioned in this Article 172(ii)(a) shall fall away.

b. In the event of a Transfer of a part of the Securities held by the Investor or subscription of any Securities by any Affiliate of the Investor or the Promoters pursuant to these Articles, the Investor or Promoters (as the case may be), together with such Affiliates, shall at all times exercise their rights (except when such rights are flowing from the Securities held by such transferee or an Affiliate, as the case may be) collectively under these Articles as a single Shareholder.

(iii) **Right of First Refusal**

a. Subject to Article 172(i), if a Promoter ("**Transferring Shareholder**") decides to Transfer all or part of their Securities ("**Sale Shares**") to any Person (not being an Affiliate of the Transferring Shareholder), then the Transferring Shareholder hereby unconditionally and irrevocably grants to the Investor a prior right to purchase all of the Sale Shares at the same price and on the same terms and conditions as those offered to such Person ("**Right of First Refusal**").

b. Upon the Transferring Shareholder receiving a proposal from any Person (the "**Buyer**") for purchase of Sale Shares held by the Transferring Shareholder, which the Transferring Shareholder intends to accept ("**Proposal**"), the Transferring Shareholder shall immediately notify the Investor and the Company of the Proposal ("**Transfer Notice**"). The Transfer Notice shall set forth the name and other material particulars of the Buyer, the number of Sale Shares, the price per Sale Share and other terms of the Transfer and an undertaking from the Transferring Shareholder(s) stating that the offer is bona fide and a representation that no consideration, tangible or intangible, is being provided to the Transferring Shareholder which will not be reflected in the above-stated consideration (including a refund or a discount). The Proposal and any other document executed by the Transferring Shareholder(s) and / or the Buyer (whether binding or non-binding by whatever name called) in relation to the Proposal shall also be annexed to the Transfer Notice. The Transferring Shareholder(s) shall ensure that such document explicitly states that such transaction is subject to the Right of First Refusal and the Tag Along Right of the Investor.

c. The Investor may exercise the Right of First Refusal with respect to all of the Sale Shares by a written Notice ("**Acceptance Notice**") to the Transferring Shareholder(s) within 15 (fifteen) Business Days of receipt of the Transfer Notice ("**ROFR Response Period**"). If the Investor exercises the Right of First Refusal, the Transferring Shareholder(s) shall be bound to sell such number of the Sale Shares to the Investor as set out in the Acceptance Notice, and such Sale Shares shall be purchased within a period of 30 (thirty) Business Days from the date of the Acceptance Notice. In the event, the Investor does not exercise the Right of First Refusal, the Transferring Shareholder(s) may Transfer such Sale Shares as available to the Buyer, subject to (i) complying with the provisions of Article 172(iv) below, (ii) at a price not lower than the price per Security, and on terms and conditions no more favourable than those, specified in the Transfer Notice, (iii) compliance with the time limits specified in Article 172(iv).

d. All rights under these Articles including the Right of First Refusal of the Investor shall lapse/terminate in the event of a QIPO or initial public offering.

(iv) **Tag-Along Rights**

a. Subject to Article 172(i) and Article 172(iii), in the event that any or all the Promoters ("**Selling Promoter**") transfer / sell any part of their shareholding in the Company ("**Sale Securities**") to the Buyer, after having obtained the written consent from the Investor and after providing the Right of First Refusal to the Investor pursuant to Article 172(iii) above, then the Promoters shall arrange for a tag-along of the Securities of the Investor and the Other Shareholder on a pro rata basis, except in the event of change in Control and/or Change in Management of the Company due to Transfer of the Sale Securities in which case, the Promoters shall arrange for a tag-along of all the Securities of the Investor and the Other Shareholder, in the following manner:

I The Selling Promoter shall issue a notice to the Investor and the Other Shareholder ("**Tag Along Offer Notice**") specifying (i) the amount and consideration that the Buyer has agreed to pay the Selling Promoter for the Sale Securities; (ii) the manner and time of payment of the consideration; (iii) the proposed date of consummation of the proposed sale; (iv) a representation that the Buyer stated in the Tag Along Offer Notice has been informed of the Tag Along Right (*as defined below*) and has agreed to purchase all the Securities required to be purchased in accordance with the terms of this Article; and (v) a representation that no consideration, tangible or intangible, is being provided to the Selling Promoter which will not be reflected in the above-stated consideration (including a refund or a discount). Such Tag Along Offer Notice shall be accompanied by a true and complete copy of all the relevant documents between the Selling Promoter and the Buyer regarding the proposed sale.

II The Investor and the Other Shareholder shall have the right but not an obligation to require the Buyer to purchase, such number of Securities held by the Investor and/or the Other Shareholder (as the case may be) as is proportionate to the Sale Securities proposed to be transferred by the Selling Promoter to the Buyer ("**Tag Along Securities**"), on the same terms and conditions and price as those offered by the Buyer to the Selling Promoter ("**Tag Along Right**"), and the number of Sale Securities that may be transferred by the Selling Promoter to the Buyer shall correspondingly stand reduced by the Tag Along Securities. The sale of the Tag Along Securities by the Investor and/or the Other Shareholder (as the case may be) to the Buyer shall be completed, if the Tag Along Right is exercised, immediately prior to the sale of the Sale Securities remaining after the exercise of such Tag Along Right, if any, by the Selling Promoter to the Buyer.

III If the Investor and/or the Other Shareholder elect to exercise their Tag Along Right, the Investor and/or the Other Shareholder shall deliver a written notice of such election to the Selling Promoter (the "**Response Notice**") within 30 (thirty) Business days of the receipt of the Tag Along Offer Notice ("**Tag Along Offer Period**"). In the event that the Investor and/or the Other Shareholder do not issue the Response Notice to the Selling Promoter within the Tag Along Offer Period, then the Investor and/or the Other Shareholder shall deem to have waived off their Tag Along Right.

IV In the event the Investor and/or the Other Shareholder issue the Response Notice, the Selling Promoter shall cause the Buyer to purchase from the Investor, and/or the Other Shareholder, the Tag Along Securities at the price set out in the Tag Along Offer Notice. Provided that, the Investor and/or the Other Shareholder shall not be required to make any representation or warranty, provide any covenants or undertakings, grant any indemnifications or incur any obligations to the Buyer, other than in relation to valid title to the Tag Along Securities.

V The Selling Promoter shall not be entitled to sell any of the Sale Securities to the Buyer unless the Buyer first purchases the Tag Along Securities from the Investor and/or the Other Shareholder in accordance with the provisions of this Article. If the Investor and/or the Other Shareholder has exercised the Tag Along Right and the Buyer fails to purchase the Tag Along Securities from the Investor and/or the Other Shareholder (as the case may be), the Selling Promoter shall not sell the Sale Securities held by it to the Buyer, and if purported to be made, such sale shall be void and shall not be binding on the Company.

VI Notwithstanding the above, in the event as a result of the proposed Transfer of Securities by the Selling Promoter there is a change in Control of the Company and/or Change in Management of the Company, the Investor and/or the Other Shareholder shall be entitled to exercise the Tag Along Right and in the Tag Along Notice require the Selling Promoter to ensure that the Buyer purchases all of such Investor's Securities and/or the Other Shareholder's Securities in the Company prior to the purchase of the Securities from the Selling Promoter.

VII The Selling Promoter shall ensure that the Deed of Ratification and Accession for Transferees (in form as per Part B of Schedule 3 of the SHA) shall have been duly stamped, executed and delivered by the Buyer to the Company and the Investor and/or the Other Shareholder (as the case may be) simultaneously with the transfer, in case the Buyer is purchasing pro rata from the Investor and/or the Other Shareholder.

(v) **General**

a. Any Transfer made in violation of the requirements prescribed under these Articles shall be null and void ab initio. Each Shareholder acknowledges and agrees that any breach of these Articles would result in substantial harm to other Shareholders which cannot be adequately compensated by monetary damages. Therefore, the Shareholders hereto unconditionally and irrevocably agree that any non-breaching Shareholder hereto shall also be entitled to seek protective orders, injunctive relief and other remedies available at law or in equity (including, without limitation, seeking specific performance or the rescission of purchases, sales and other transfers of Securities not made in strict compliance with these Articles). All remedies, either under these Articles, or under Applicable Law or otherwise afforded to any Shareholder for breach of the restrictions on the Transfer of Securities by the Transferring Shareholder(s) shall be cumulative and not alternative to one another.

b. The Shareholders agree that the Transfer restrictions in these Articles and in the SHA, shall not be capable of being avoided by holding of Securities indirectly through an entity that can itself be sold in order to indirectly dispose of an interest in the Securities free of such restrictions.

c. The Promoters shall not create any fresh encumbrance, pledge or lien on their Securities or do any other act which has the effect of undermining the underlying beneficiary/fiduciary rights and responsibilities of the Promoters, except that such pledge, encumbrance or lien is for the funding requirement of the Existing Lenders and as may be approved by the Investor.

173. **EXIT OPTIONS**

(i) The Shareholders acknowledge, agree and confirm that the Investor is a financial investor who must necessarily exit within a fixed time period. The Company and the Promoters shall work in good faith to provide an exit for the Investor in accordance with the terms of the SHA and these Articles. The Investor will have a right to participate in such exit opportunity in the manner and subject to the timelines set forth in this Article 173.

(ii) It is clarified that, subject to Article 173(iii)(i), Article 173(vi) and Article 177(i), the obligations of the Company and Promoters under this Article 173 shall not fall away or cease to be applicable until the Investor has received a complete exit.

(iii) **Qualified Initial Public Offering and Offer for Sale**

a. The Company and the Promoters shall arrange for a QIPO of the Equity Shares of the Company within 60 (sixty) months from the Closing Date, whether by way of fresh issue of Equity Shares or an offer for sale, on a Recognised Stock Exchange (as approved by the Board of the Company).

It being clarified that prior written consent of the Investor shall not be required to undertake a Promoter QIPO. However, the Company shall require prior written consent of the Investor to undertake a QIPO at any time after the expiry of 36 (thirty-six) months from the Closing Date and the terms for such QIPO will be mutually decided by the Company and the Investor, along with a reputed merchant banker appointed by the Company from the Agreed List.

b. The Promoters agree that if required for the purpose of complying with the provisions of Applicable Law or requirements of any underwriter or merchant banker appointed for the QIPO (including any provision in respect of minimum offer size), the Promoters shall offer their Securities for sale in a QIPO.

c. **Offer for Sale:** The Promoters and the Company will render all necessary assistance to the Investor in making an offer for sale ("**Offer for Sale**") of their respective Securities through the QIPO, without the consent of the Investor in case of a Promoter QIPO and, after expiry of 36 (thirty six) months from the Closing Date, on such terms as may be recommended by the merchant banker appointed by the Company and the Investor and as may informed to the Investor. The Promoters shall also offer for sale to the public their shareholding in the Company to the extent required by law for securing listing of the Securities on a Recognised Stock Exchange. The Company and the Promoters hereby undertake to comply with all formalities required for such offer to the public under regulations and guidelines of Securities and Exchange Board of India ("**SEBI**") and the concerned stock exchange(s) from time to time and also under the provisions of the Act and other Applicable Laws for the time being in force. <u>All expenses for the QIPO shall be borne in the manner set out in the offer agreement to be entered into in connection with the QIPO</u>.

d. **Other terms for QIPO/IPO:** The Shareholders agree that any QIPO/IPO undertaken pursuant to this Article 173(iii) shall be conducted as follows:

The Company shall and the Promoters shall procure that the Company shall undertake all reasonable steps and do all acts, deeds, matters and things as may be required, and extend all reasonable cooperation to the Investor, merchant banks, lead managers, underwriters and other Persons as may be required for the purpose of expeditiously making and completing a QIPO, including:

I Undertaking the requisite corporate actions, including passing the requisite resolutions at the Board and Shareholders' meetings. The Promoters and the Investor shall also vote at General Meetings and cause their nominee Directors on the Board to cast their votes to give effect thereto;

II Appointing intermediaries and advisors (including legal and financial) to facilitate the process;

III Providing reasonable access to various intermediaries and advisors (including legal, accounting, banking and financial), to the documents, offices and facilities of the Company, in order to provide adequate disclosures under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or other Applicable Law;

IV Extending all such co-operation to the QIPO merchant banker, the syndicate members, underwriters and all other advisors;

V Conducting road shows with adequate participation of the key management;

VI Providing all necessary information and documents necessary to prepare the offer documents;

VII Preparation of all necessary marketing material and documents to position the Company appropriately for the QIPO;

VIII Filing all requisite documents with appropriate Governmental Authorities;

IX Obtaining any necessary consents in relation to the QIPO;

X Providing all necessary resources and personnel (including members of the key management) to ensure compliance of the obligations set out in this Article 173(iii);

XI Filing the draft red herring prospectus with SEBI and providing true, fair and correct responses to SEBI's observations on the draft red herring prospectus and finalizing and filing the red herring prospectus after the receipt of SEBI observations;

XII Finalizing the financial statements of the Company as required for the QIPO and ensuring that the Company's auditors co-operate with the merchant banks, lead managers, underwriters, managers and other advisors to the offer and provide all required certifications and comfort letters in customary form;

XIII Satisfying the minimum promoter's contribution requirement, if required;

XIV Signing the final draft red herring prospectus prior to the same being filed with the SEBI;

XV Settling or resolving such legal or regulatory proceedings as may be advised by the QIPO merchant banker as advisable for purposes of the QIPO;

XVI Complying with and completing all necessary formalities to ensure listing; and

XVII Doing such other acts, deeds and things as may be required to be done by the Company and the Promoters under Applicable Law or as reasonably requested by the Investor to facilitate the consummation of the QIPO.

e. The QIPO shall be structured in a way such that Investor will not be considered as, or deemed to be, a "promoter", and none of the Securities held by Investor shall be considered as, or deemed to be, "promoter shares" under Applicable Laws with respect to any public offerings by the Company (including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018) ("**SEBI ICDR Regulations**"), and subject to Applicable Law, the QIPO shall be undertaken in a manner that does not result in the imposition of any lock-in / moratorium or other Encumbrance in respect of any dealing in Securities by the Investor. Provided that the Investor's shareholding will be subject to lock-in requirements as set out under the SEBI ICDR Regulations, to the extent applicable.

f. Subject to Applicable Law, until the date of listing of the equity shares of the Company pursuant to the QIPO, the Company and the Promoters hereby agree and undertake to indemnify / keep indemnified and hold harmless, the Investor and its nominee directors, observer, employees, agents and representatives, against any loss, claim, damage, liability, costs, charges or expenses (including legal costs) arising out of and consequential to any obligation to be performed by the Investor, as the case may be, pursuant to any provision of Applicable Laws, in connection with the IPO or an offer for sale of the Securities and / or in compliance with statutory or other requirements stipulated by bodies including SEBI and the stock exchange(s).

g. Each Shareholder shall co-operate to facilitate the QIPO including (a) exercise of its voting rights at relevant General Meetings, (b) ensuring its nominated directors execute all documents as required from time to time in connection with the QIPO.

h. Except as required by Applicable Law or as is customary and market standard, the Investor shall not be required to give any representation, warranty or indemnity whatsoever in connection with the QIPO, including to the merchant bank appointed for the purpose of the QIPO, other than that the Securities offered for sale by the Investor, in the QIPO have clear title, subject to negotiations.

i. Notwithstanding anything contained in these Articles, if, pursuant to the Promoter QIPO, the Company provides complete exit to the Investor, such that pursuant to such complete exit, the Investor will not hold any Securities in the Company, and the Investor does not exit, then, subject to Article 177(i), the Company's obligation to provide an exit to the Investor in accordance with Article 173 shall cease to be in effect.

(iv) **Buyback of Investor Securities[#]**

a. In the event of an Event of a Default (other than E&S Breach under Article 176 below) or where full exit has not been provided to the Investor pursuant to Article 173(iii), before 60 (sixty) months from the Closing Date, then the Investor shall be entitled, at its sole discretion, to require the Company to, subject to Applicable Law, buyback all its Securities held by them (except any Securities purchased by the Investor pursuant to any secondary sale of Securities) at a price that provides the fair market value as may be determined by an independent valuer ("**Purchase Price**"), in one or more instalments at the sole discretion of the Investor. It is clarified that upon exercise of the right set out under this Article 173(iv)(a), until such time that the Investor is provided with a full exit in respect of its Securities, the Promoters agree and undertake that they shall not participate in any buyback and/or purchase notice pursuant to this Article 173(iv).

b. In addition to the Investor's right mentioned in Article 173(iv)(a), in the event of an Event of a Default (other than E&S Breach under Article 176 below) or where full exit has not been provided to the Investor for its' Securities pursuant to Article 173(iii) before 60 (sixty) months from the Closing Date, the Promoters shall, endeavour to purchase all the Securities (except any Securities purchased by the Investor pursuant to any secondary sale of Securities) held by the Investor at the Purchase Price. For avoidance of doubt, it is hereby clarified that this will not be construed to be an obligation on the part of the Promoters.

c. **Procedure in case of Company buyback**

I To exercise the buy-back by the Company as mentioned in Article 173(iv)(a), the Investor may send a 6 (six) months prior written notice to the Company ("**Trigger Notice**") requiring the Company to buy-back and any or all of the Securities held by it ("**Purchase Right**").

II Within 15 (fifteen) days of receipt of the Trigger Notice, the Company shall provide a written notice to the Investor ("**Sale Notice**"), setting forth the date of such buyback, to be undertaken by the Company in accordance with Applicable Law ("**Purchase Date**").

III The Company, Promoters and the other Shareholders (if applicable) shall do all such acts and deeds as may be necessary under Applicable Laws or otherwise (including voting at the meetings of the Board and General Meetings to cause the Company to undertake the buy-back of the Securities of the Investor by the Company and obtain all consents and approvals to undertake the buy-back by the Company of the Securities (except any Securities purchased by the Investor pursuant to any secondary sale of Securities) held by the Investor prior to the Purchase Date.

IV The Shareholders (other than the Investor) and the Company and the Promoters shall ensure that the Shareholders (other than the Investor) shall not tender any Securities held by them in any buy-back undertaken by the Company, pursuant to this Article.

(v) **Drag Along Right**

a. Upon the occurrence of an Event of Default or where full exit has not been provided to the Investor for its' Securities pursuant to (i) Article 173(iii); or (ii) Article 173(iv) on or before the expiry of the Exit Period, then the Investor shall have the right to sell its Securities to any third party. The Company shall, at the discretion and request of the Investor, appoint a reputed merchant banker to facilitate such sale.

b. Upon the Investor receiving a proposal from any third party for purchase of Securities held by the Investor, which the Investor intends to accept ("**Purchase Offer**"), the Investor shall immediately notify the Promoters and the Company of such Purchase Offer ("**Purchase Offer Notice**"). The Purchase Offer Notice shall set forth the name and other material particulars of the buyer, the number of Securities, the price per Security and other terms of the Transfer along with a representation that no consideration, tangible or intangible, is being provided to the Investor which will not be reflected in the above-stated consideration (including a refund or a discount). Such Purchase Offer Notice shall be accompanied by a true and complete copy of all the relevant documents between the Investor and the third party regarding the proposed sale.

c. The Investor ("**Dragging Party**") shall have the right ("**Drag Along Right**") but not the obligation to require the Promoters ("**Drag Along Parties**") to sell, up to all the Securities held by them on such date ("**Drag Along Securities**") and on such same terms and conditions, including the price ("**Drag Along Price**") that the Dragging Party may have agreed with any bona fide third party purchaser ("**Drag Along Buyer**"). In such event, the Drag Along Parties shall be unconditionally obliged to sell such Drag Along Securities to the Drag-Along Buyer at the Drag Along Price and on the same terms offered to the Dragging Party (including the price for the relevant Securities held by the Investor).

d. For the purpose of this Article 173(v), the Dragging Party shall deliver a written notice ("**Drag-Along Notice**") to the Drag Along Parties, stating that the Dragging Party wishes to exercise its rights under Article 173(v), and setting forth the name and address of the Drag-Along Buyer, the number of Drag Along Securities of the Drag Along Parties proposed to be Transferred to the Drag-Along Buyer, the Drag-Along Price and all material terms and conditions offered by the Drag-Along Buyer.

e. Upon delivery of a Drag-Along Notice, the Drag Along Parties shall be required to Transfer such number of their Securities as may be required to enable the Investor to sell all of its Securities, as specified in the Drag-Along Notice, including executing the share transfer forms in favour of the Drag-Along Buyer and handing over the same along with the original share certificates in respect of their respective Securities to the Drag-Along Buyer, on the same terms and conditions (including, without limitation, the Drag-Along Price) as agreed by the Dragging Party and the Drag-Along

Buyer, and shall make to the Drag-Along Buyer representations, warranties, covenants, indemnities and agreements comparable to those made by the Dragging Buyer in connection with the Transfer and shall agree to the same conditions to the Transfer as the Dragging Party agrees. It is hereby agreed and understood that the Investor shall, severally, provide standard representations limited to the title of its Securities and shall not be subject to any covenants such as non-compete or negative covenants, etc. All other representations, warranties, covenants, indemnities and agreements including in respect of Business and / or operations of the Company shall be made by / apply to the Company and the Promoters only.

f. Pursuant to the exercise of the Drag Along Right by the Investor, the Company and the Promoters hereby undertake to cooperate and to do all such acts as may be required to be done for consummation of the sale of Drag Along Securities from the Promoters to the Drag Along Buyer, which acts shall include but shall not be limited to the Promoters and the Company undertaking management discussions with the Drag Along Buyer, providing information and documents as may be required by the Drag Along Buyer for conducting due diligences.

(vi) Notwithstanding anything contained in these Articles, the Company's obligation to provide an exit to the Investor in accordance with Article 173 shall cease to be in effect, if, at any time during the Exit Period, the Company procures a third party buyer for sale of all Securities held by the Investor, such that the Investor receives at least 20% (twenty per cent) IRR on the Subscription Amount without any component of deferred consideration or any component of the consideration being linked to occurrence of any future contingent events and the Investor declines to sell its Securities to such third party buyer.

(vii) **Costs:** The Shareholders agree that, unless specified otherwise, all costs including transaction costs relating to and arising from the provisions of this Article 173 shall be borne by the Company. It is hereby clarified that the costs under this Article 173 shall not include any Taxes payable by or on behalf of the Investor.

174. **EVENTS OF DEFAULT**

Event of Default: The Shareholders agree that the following events, other than E&S Breach under Article 176, shall be considered as event of default ("**Events of Default**"). For avoidance of doubt, it is hereby clarified that failure on the part of the Company and Promoters to provide an exit to the Investor in accordance with Article 173 of these Articles shall not be construed as an Event of Default.

(i) **Default in performance of covenants and conditions:** Material breach of any representations given by the Company and / or the Promoters to the Investor, covenant, condition, agreement or undertaking on the part of the Company or the Promoters under the SHA, which if capable of cure, is not cured within 30 (thirty) days of the Investor issuing a written notice of such material breach to the Company and the Promoters; it being clarified that in the event that if such material breach is not curable, then occurrence of such material breach shall be an Event of Default.

(ii) **Misconduct, Gross Negligence or Fraud:** Any act or omission by the Company and / or the Promoters constituting misconduct, gross negligence or fraud in respect of or concerning the Company. Provided that where an employee of the Company has committed such fraud, wilful misconduct and/ or gross negligence, and: (i) such employee acted entirely of his own volition and without any influence, instructions or discussions whatsoever, whether explicit or implied, directly or indirectly with or from any of the Promoters, (ii) none of the Promoters had any knowledge of such actions and the Promoters would not reasonably be expected to have control or knowledge over such actions/ activities; and (iii) no Promoter stands to directly or indirectly to benefit from such fraud, then it shall not be considered an Event of Default, subject to the following. Within 7 (seven) Business Days of the Investor issuing a written notice to the Company and Promoters of the alleged commission of fraud, wilful misconduct or gross negligence by an employee of the Company ("**Satisfaction Period**"), the Company/Promoters shall endeavour to satisfactorily prove to the Investor that the aforesaid conditions set out in (i), (ii) and (iii) have been satisfied. In the event that the Investor accepts the submission of the Company/Promoters, it shall not be considered to be an Event of Default. However, in the event that the Investor is of the opinion that the aforesaid conditions set out in (i), (ii) and (iii) of Article 174(ii) have not been met, the Investor shall have the right to exercise its right under Article 174(ii) on the expiry of 15 (fifteen) Business Days from the expiry of the Satisfaction Period.

(iii) **Promoter Default:** If (a) a Promoter becomes bankrupt, insolvent or receiver, trustee, encumbrancer and judicial manager is appointed or makes any arrangement or composition with his creditors or takes or suffers any similar action or occurrence in any jurisdiction or other process is levied or enforced upon a substantial part of his or her assets; or (b) a Promoter becomes insane or of unsound mind; or (c) a Promoter ceases to hold any Securities in the Company, which results in loss of Control otherwise than in accordance with the terms of these Articles; or (d) incapacitation of a Promoter leading to inability or impossibility in performance of his duties in the Company as a key employee for a consecutive period of 6 (six) months or (e) death of a Promoter.

(iv) **Cessation of Business**: The Company ceases or threatens to cease to carry on Business or any substantial part thereof.

(v) **Inability to pay debts**: If the Company has failed to pay its debts or has admitted in writing its inability to pay its debts.

(vi) **Liquidation** of the Company:

a. If there is commencement of voluntary liquidation proceedings with respect to the Company; or

b. Finalisation of any compromise or arrangement with creditors in accordance with the Act; or

c. Filing of an application for initiating involuntary liquidation under applicable Law, which is not remedied within 14 (fourteen) days of filing of such application.

(vii) **Refusal to disburse loans by other financial institutions:** If the financial institutions or banks with whom the Company may have entered into agreements for financial assistance have refused to disburse its / their loans or any part thereof or have recalled its / their loans under their respective agreements with the Company and it is not remedied within 30 (thirty) days of the Investor issuing a written notice in this regard to the Company and the Promoters.

(viii) **Attachment or disdain on properties:** If an attachment or distraint has been levied on the properties or assets of the Company or any part thereof or certificate proceedings have been taken or commenced for recovery of any dues from the Company.

(ix) **Arrangement with creditors:** The Company makes any arrangement or composition with creditors or takes or suffers any similar action or occurrence in any jurisdiction.

(x) **Breach of Specific Clauses:** Any breach of Clause 4.5 of the SHA or Article 166(xx).

(xi) **Excluded List:** Carrying out any business activities by the Company as specified in E&S Excluded List.

175. **CONSEQUENCES OF EVENT OF DEFAULT**

(i) If any of the Events of Default described above in Article 174 or in terms of the SHA, has occurred and is continuing beyond the period as specified under Article 174, then restrictions as applicable to the Investor including in relation to Transfer / sale of the Securities of the Investor to a Competitor and the obligation of the Investor to provide Promoter Incentives in accordance with Clause 11 of the SHA to the Promoters shall fall away. The Investor shall, by giving a written notice to the Company, have the option to, at its sole discretion, exercise any of the following remedies, notwithstanding the other rights of the Investor under these Articles or under Applicable Law:

a. exercise the Drag Along Right in accordance with Article 173(v) without any restriction on any time period specified in Article 173(v); and / or

b. require the Company to buyback or redeem (as the case may be) its Securities or require the Promoters to purchase its Securities in accordance with the provisions of Article 173(iv).

(ii) Notwithstanding anything contained in Article 175(i), (i) upon occurrence of an Event of Default under Article 174(iii)(a), Article 174(iii)(b), Article 174(iii)(d) and Article 174(iii)(e), the Investor shall not be entitled to exercise its right under Article 173(iv)(b), and (ii) upon occurrence of an Event of Default under Article 174(v) to Article 174(ix), the Investor shall not be entitled to exercise its rights mentioned under Article 173(iv) and all other rights mentioned under Article 175(i), shall be subject to Applicable Law.

(iii) All costs / Tax liabilities relating to a transfer of Securities by the Investor pursuant to this Article 175 shall be borne by the Investor. The Shareholders further agree that in the event of a dispute between the Shareholders in respect to enforcement of the rights of Investor under this Article 175, the Company shall be liable for any costs incurred by the Investor in respect to enforcement of the rights of the Investor under this Article 175.

(iv) The Company and the Promoters acknowledge and agree that any obligations required to be complied with under this Article 175 are not in the nature of a penalty, but merely reasonable compensation for the loss that would be suffered, and, therefore, each of the Company and the Promoters waives all rights to raise any claim or defence that such payments are in the nature of a penalty and undertakes that it shall not raise any such claim or defence.

(v) The Company and the Promoters expressly agree and undertake that they shall do all such acts and execute all such documents as may be necessary to ensure the rights exercised by the Investor under this Article 175 are fully effected.

(vi) Upon issuance of a notice by the Investor under Article 174 with respect to occurrence of an Event of Default, the Company and the Promoters shall undertake all actions to ensure that the operations of the Company are carried on as per Ordinary Course of Business and such actions do not jeopardize the interests of the Company and the Investor with respect to its investment in the Company and shall ensure that there are no significant changes to the debt obligations of the Company or the Company does not incur any liabilities or obligations other than in the Ordinary Course of Business.

176. **E&S DEFAULT OPTION**

(i) **E&S Claim:** The Company must inform the Investor in writing immediately upon becoming aware of:

a. any E&S Claim being commenced or threatened in writing against the Company and / or the Promoters; or

b. any written notice in writing received by, or brought to the attention of, the Company and / or the Promoter(s) to the effect that the Company and / or Promoter(s) have or may have breached any E&S Requirement.

(ii) **E&S Breach and E&S Breach Action Plan**

a. If the Investor considers that an E&S Breach has occurred in or by the Company, it shall inform the Company and the E&S Committee of its suspicions (the "**E&S Breach Suspicion Notice**").

Provided that the suspicion of an E&S Breach Suspicion Notice is reasonably grounded, the E&S Committee and the Board shall meet to discuss in good faith, possible remedies of any E&S Breach and the time within which such remedy must occur.

b. In the event that the E&S Committee and the Board are unable to agree a remedy for the E&S Breach or the E&S Committee (acting reasonably) considers the breach to be so serious that the Company would need the assistance of an expert to remedy the E&S Breach, then the E&S Committee may request that an independent expert be appointed by the Company.

c. If the E&S Committee requests that an independent expert be appointed by the Company, then:

I At the time that the E&S Committee requests that an independent expert be appointed, it will suggest name(s) of independent experts who are senior E&S practitioners with prior experience in the industry / matter in which the E&S Breach occurred;

II the appointment of the independent expert must be approved by the Board acting expeditiously; and

III the Company shall bear the fees and reasonable expenses of the independent expert.

d. The independent expert will be instructed to advise the E&S Committee and the Board on the following:

I whether there is an E&S Breach;

II if there is an E&S Breach, whether it is capable of remedy, how its consequences can be mitigated and how a similar E&S Breach may be prevented from happening again;

III If the independent expert assesses that the E&S Breach is capable of remedy ("**Remediable E&S Breach**"), the expert will:

(A) assess how and by when the Remediable E&S Breach should be remedied, and provide a plan and timetable to remedy such Remediable E&S Breach;

(B) assess how and by when the consequences of the Remediable E&S Breach can be mitigated; and provide a plan and timetable to mitigate such consequences, and

(C) assess whether there were behavioural patterns and / or management loopholes that led to the Remediable E&S Breach and provide a plan and timetable to remedy such patterns or loopholes and prevent a similar E&S Breach to happen again.

IV If the independent expert assesses that the E&S Breach is not capable of remedy ("**Irremediable E&S Breach**"), the expert will:

(A) assess how and by when the consequences of the Irremediable E&S Breach can be mitigated and provide a plan and timetable to mitigate such consequences; and

(B) assess whether there were behavioural patterns and / or management loopholes that led to the Irremediable E&S Breach and provide a plan and timetable to remedy such patterns or loopholes and prevent a similar E&S Breach to happen again.

(the plans and timetables to be provided by the independent expert under Article 176(ii)(d)(III)(A), Article 176(ii)(d)(III)(B), Article 176(ii)(d)(III)(C), Article 176(ii)(d)(IV)(A) and Article 176(ii)(d)(IV)(B) above shall be referred hereinafter as the "**E&S Breach Action Plan**".

V The Board will implement the E&S Breach Action Plan within the recommended timelines with the help and support of the E&S Committee and under the guidance of the independent expert.

VI Upon expiry of the recommended timelines of the E&S Breach Action Plan, the independent expert shall report to the Board and the E&S Committee:

(A) whether the E&S Breach Action Plan has been appropriately implemented, and if the E&S Breach Action Plan has been appropriately implemented, then the E&S Breach shall lapse;

(B) whether some additional action items are needed and / or whether timelines need to be extended for the appropriate remedy, mitigation or prevention of the E&S Breach, the independent expert shall then report again on the due implementation of these additional items upon the expiry of the extended timelines; or

(C) whether the E&S Breach Action Plan has not been implemented (the "**Unremedied E&S Breach**"), then such Unremedied E&S Breach shall be deemed to be an Event of Default.

VII The Company shall share the report and the conclusion of the independent expert with the Investor within 3 (three) calendar days of the reception of the report.

(iii) **Unremedied E&S Breach Default Option:**[#]

Upon the independent expert reporting an Unremedied E&S Breach, the Company and / or Promoters hereby severally unconditionally and irrevocably grants to the Investor, the right exercisable by the Investor from time to time, at its option, to require the Company and / or the Promoter(s) to buy back and / or purchase, at its option, all or part of the Securities owned by the Investor for the time being ("**E&S Default Sale Shares**") at the Default Price (the "**E&S Default Option**"). For the purposes of this Article, the term "Buy Back Shares" shall mean the E&S Default Sale Shares.

(iv) **Default Price**

a. The price with respect to the Securities held by the Investor shall be the fair market value as may be determined by an independent valuer at the moment of the exercise of the E&S Default Option ("**Default Price**").

b. The independent valuer shall be appointed by the E&S Committee acting together with the Investor within 15 (fifteen) days of independent expert reporting an Unremedied E&S Breach. The fees of the valuer shall be borne by the Company.

(v) **Default Options Notices**

a. The E&S Default Option may be exercised by the Investor by serving a written notice to the Company and the Promoters of the exercise of the E&S Default Option ("**Default Option Notice**") when independent expert's report concludes that there is an Unremedied E&S Breach.

b. The Default Option Notice shall specify a time and date falling not less than 60 (sixty) calendar days (or the following Business Day if this period ends on a day which is not a Business Day) after the service of the Default Option Notice for completion ("**Default Option Completion Date**") and the Default Price as indicated under Article 176(iv)(a) above. The Company and / or Promoters shall complete the exercise of the E&S Default Options within the Default Option Completion Date.

(vi) **Share Buyback of Investor Securities#**

a. As soon as reasonably practicable after receipt of a Default Option Notice and the determination of the Default Price, the Company and each Shareholder (other than the Investor) shall take all actions (including exercising their voting rights in the Company) and do all such acts to procure that the Company (subject to Applicable Laws) effects a share buyback of all of the shares held by the Investor at the Default Price. In the event the aforesaid buy back by the Company does not result in a complete exit to the Investor on account of: (a) share buyback limits under Applicable Law; and / or (b) the Company not having sufficient cash or distributable profits to do so, then the Company shall proceed with the buyback to the extent possible and delay the buyback of the remaining Securities of the Investor ("**Delayed Buy Back Shares**") during the subsequent financial years (all kinds of buy back contemplated in this Article shall be referred to as "**E&S Buy Back**").

b. The E&S Buy Back shall be financed by distributable profits and / or such other sources permitted under Applicable Laws.

c. In no event shall the Investor be obliged to make any representations or warranties or provide any indemnities to the Company or to the other Shareholders (as may be applicable) in connection with the Buy Back Shares, other than in relation to valid title and no encumbrances, lien etc., to the Buy Back Shares.

(vii) **E&S Default Options Timeline#**

a. The Company shall notify to the Investor the independent expert's report within 3 (three) calendar days of its reception in accordance with Article 176(ii)(d)(VII).

b. If the independent expert's report concludes that there is an Unremedied E&S Breach, the Investor can serve a Default Option Notice to the Company within 10 (ten) days from the date of receipt of Default Option Notice or such other extended period as may be required by the Investor (subject to such extended period not exceeding 30 (thirty) days).

c. Should the Company and Investor fail to appoint an independent valuer under Article 176(iv)(b), the E&S Committee shall appoint a valuer within 3 (three) calendar days of the end period above mentioned in Article 176(iv)(b) with the mission to expeditiously assess the Default Price as provided under Article 176(iv).

d. The Company shall within 3 (three) calendar days of determination of Default Price, notify the Investor of the share buyback limit and of the maximum number of Securities which the Company is able to buy back and the quantum of Delayed Buy Back Shares, if applicable.

e. Subject to Applicable Law, within 10 (ten) calendar days of finalization of the Default Price by the Investor, the Company and / or the Promoters shall purchase the permitted quantum of Securities of the Investor at the Default Price on or before the Default Option Completion Date.

f. Subject to Applicable Laws, the Company and / or the Promoters shall purchase the Delayed Buy-Back Shares during the following financial years, if applicable.

177. **FALL AWAY PROVISIONS**

(i) Save and except the following provisions listed below, all the rights of the Investor under these Articles shall automatically fall away immediately upon the Shareholding of the Investor (together with its Affiliates) falling below 5% (five percent):

a. Exit rights in case of an Event of Default as set out in Article 174 and Article 175 and rights under Article 174 and Article 175;

b. Exit rights under Article 176;

c. Rights under Article 172(iv);

d. Rights under Clause 6 of the SHA; and

e. Rights under Article 166(iii)(b).

(ii) The Shareholders hereby agree and confirm that, except as stated in Article 177(i), all restrictions on the Company and/or Promoters under these Articles shall fall away upon the Shareholding of the Investor (together with its Affiliates) falling below 5% (five percent).

Notes:

\# *Waived until the Long Stop Date, and upon completion of the QIPO, such right shall be of no further force or effect without any further act or deed required by any party to the SHA.*

SCHEDULE 1 – AFFIRMATIVE VOTE MATTERS

PART A

Board Affirmative Vote Matters

1. Appointment, re-appointment, removal, acceptance of resignation, determination or alteration of the terms of employment (including enhancement of remuneration beyond INR 7,000,000 (Indian Rupees Seven Million) on an annual basis (subject to inflation) of Key Employees (other than the Promoters) as regards the Company, its existing and future subsidiaries;

2. Appointment, re-appointment, removal, acceptance of resignation, determination or alteration of the terms of employment (other than the remuneration) of the Promoters;

3. Approval and finalization of accounts, formulation, decide / change in accounting standards, policies or principles of the Company, other than as required under Applicable Law;

4. Purchase and sale of any individual assets amounting to more than INR 20,000,000 (Indian Rupees Twenty Million) in aggregate;

5. Declaration and payment of dividends;

6. Approval of the Three Year Business Plan and Annual Business Plan and any alterations to the Three Year Business Plan and Annual Business Plan;

7. Any transfer, assignment, sale, license or franchise, for development / production /operation/sale to any party, of the Intellectual Property rights of the Company;

8. Granting any loans other than employees loan up to INR 1,000,000 (Indian Rupees One Million) or in line with the human resources policy of the Company;

9. Obtaining of loans above the aggregate of equity and preference share capital, general reserves, reserves in the share premium account of the Company and the balance reflected in the Statement of Profit & Loss of the previous audited financials of the Company in any Financial Year, or creation of any charge or providing any contingent liabilities (including guarantees) and any alteration in the existing loan agreements or financial arrangements; and

10. Enter into a contract or make any investments (other than investments in money market mutual funds, fixed deposits) not exceeding INR 40,000,000 (Indian Rupees Forty Million) under a single contract and / or in aggregate INR 160,000,000 (Indian Rupees One Hundred Sixty Million) for each investment.

PART B

Shareholders Affirmative Vote Matters

1. Entering into any transaction with any Affiliate / subsidiaries of any Shareholder or any agreement or arrangement between the Company on one hand and any related party including any Shareholder, Director, and / or Promoters and / or its / their Affiliates / subsidiaries on the other;

2. Proposal for any expansion or diversification, which are not as per approved Annual Business Plan;

3. Undertaking any new activity, project or business venture other than the project / Annual Business Plan or diversify, modernise or expand or change in the nature or scope of the project / Annual Business Plan;

4. Resignation of Promoters from Board and executive positions of the Company;

5. Subject to Article 173(iii), any matters connected to a QIPO (other than a Promoter QIPO) but excluding appointment of a merchant banker whose name appears in the Agreed List in connection with such QIPO;

6. Subject to Article 173(iii), timing and terms of offer of sale in any QIPO other than in case of a Promoter QIPO;

7. Formation of subsidiaries or allowing any company to become the Company’s subsidiary or sell any subsidiary or divest from any subsidiary of the Company;

8. Any alteration of any rights of any class of Shareholders;

9. Any amendment to the Memorandum and these Articles;

10. Any change in the capital structure of the Company due to any fresh issue of capital such as issuance of Securities, debentures or any other securities of the Company or any transfer or encumbrance on any Shares held by any Shareholder other than the Investor (otherwise provided for in these Articles) change in capital structure of the company, other than pursuant to exercise of any rights by the Investor under these Articles;

11. Entering into or undertaking strategic alliances, amalgamation, mergers, acquisitions, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders, capital restructuring or effecting any scheme of amalgamation or reconstruction;

12. Capitalisation of reserves / revenue expenditure;

13. Changes to composition of Board except in accordance with Article 167;

14. Creating or authorizing the creation of or issue any other security convertible into or exercisable for any equity security, having rights, preferences or privileges senior to or on parity with the Investor;

15. Acquisition, leasing or any form of transactions in real estate / property / property development that are not directly linked to the operations;

16. Removal / change of internal and statutory auditors;

17. Adopting / drawing up a stock option plan (including terms of any employee stock option plan) or stock purchase scheme or additional / new profit sharing scheme for the employees or increasing the number of shares under such plan;

18. Any buy back, reduction or redemption of Securities;

19. Liquidation, dissolution, or winding-up of the affairs of the Company.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are, or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the documents and contracts may be inspected at our Registered Office and our Corporate Office, from 10.00 a.m. to 5.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date (except for such documents or agreements executed after the Bid/Issue Closing Date). Copies of the documents for inspection referred to hereunder, will also be available on the website of our Company at www.ritewater.in/investor-relations/IPO, from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant laws.

Material contracts to the Offer

1. Offer Agreement dated February 10, 2025 entered into among our Company, the Selling Shareholders and the BRLMs;

2. Registrar Agreement dated February 10, 2025 entered into between our Company, the Selling Shareholders and the Registrar to the Offer;

3. Cash Escrow and Sponsor Bank(s) Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, Banker(s) to the Offer and the Registrar to the Offer;

4. Share Escrow Agreement dated [●] entered into among the Selling Shareholders, our Company and the Share Escrow Agent;

5. Syndicate Agreement dated [●] entered into among the Members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer;

6. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders and the Underwriters; and

7. Monitoring Agency Agreement dated [•] entered into between our Company and the Monitoring Agency.

Material documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended until date;

2. Certificate of incorporation dated September 24, 2004 issued by the RoC;

3. Fresh certificate of incorporation consequent to change in name dated March 12, 2012 issued by the RoC, consequent upon change of name of our Company from "Nagpur Aquatech Private Limited" to "Rite Water Solutions (India) Private Limited";

4. Fresh certificate of incorporation issued by the Registrar of Companies, Central Processing Center on November 26, 2024 consequent to conversion of our Company from a private company to a public company;

5. Board resolution of our Company dated December 27, 2024, authorizing the Offer and other related matters;

6. Special resolution of our shareholders' dated January 6, 2025, authorising the Offer and other related matters;

7. Consent letters each dated February 10, 2025, from the Selling Shareholders;

8. Board resolution of our Company dated February 10, 2025, taking on record the consent for the Offer for Sale by the Selling Shareholders.

9. Resolution of our Board dated February 10, 2025 approving this Draft Red Herring Prospectus for filing with the SEBI and Stock Exchanges;

10. Consent dated February 10, 2025 from our Statutory Auditors, PKF Sridhar & Santhanam LLP, Chartered Accountants, to include their name as required under section 26 (1) 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 Auditors, and in respect of their (i) examination report dated February 6, 2025 on the Restated Consolidated Financial Statements; and (ii) the statement of special tax benefits available to our Company and our shareholders and our Material Subsidiary under the direct and indirect tax laws in India dated February 10, 2025, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act;

11. Consent dated February 10, 2025, from the independent chartered accountant, namely V S Nasery & Co., having firm registration number 106949W, holding a valid peer review certificate from ICAI, 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 Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company;

12. Consent dated February 10, 2025, from the independent chartered engineer, namely Hemant Ambaselkar, having membership number F108701-7 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 Companies Act, 2013 in relation to the certificate dated November 21, 2024 certifying *inter alia* authorised installed capacity and capacity utilisation of our facilities.

13. Consent dated February 10, 2025, from the Practicing Company Secretary, namely, Yuti Nagarkar, having membership number FCS-9317, 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 Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company.

14. The examination report dated February 6, 2025 from our Statutory Auditors on the Restated Consolidated Financial Statements;

15. The statement of special tax benefits dated February 10, 2025 from Statutory Auditors;

16. Certificate dated February 10, 2025 issued by V S Nasery & Co., Chartered Accountants with respect to the key performance indicators of our Company included in this Draft Red herring Prospectus;

17. Copies of annual reports of our Company for the Fiscals 2024, 2023 and 2022;

18. Consents of Banker(s) to our Company, the BRLMs, Registrar to the Offer, Banker(s) to the Offer, legal counsel to our Company as to Indian law, Syndicate Members, Directors and Company Secretary and Compliance Officer to act in their respective capacities;

19. Industry report titled "*Water, Solar Pumps and IoT Industry Report*" dated February 7, 2025 prepared by Lattice Technologies Private Limited and commissioned and paid by our Company;

20. Consent dated February 7, 2025 issued by Lattice Technologies Private Limited with respect to report titled "*Water, Solar Pumps and IoT Industry Report*" dated February 7, 2025;

21. Shareholders' agreement dated August 23, 2023 and the Share subscription agreement dated August 23, 2023, read with the amendment dated October 9, 2023 and the amendment dated October 9, 2023, respectively, entered into between Water Access Acceleration Fund S.L.P., Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and our Company;

22. The amendment agreements each dated January 27, 2025 and February 6, 2025 to the W2AF SHA entered into between Water Access Acceleration Fund S.L.P., Vinayak S. Gan, Abhijeet V. Gan, Vishwas Pathak and our Company;

23. Subscription cum shareholders agreement dated March 14, 2014, read with the amendment agreement dated September 12, 2016, and the supplemental agreement dated July 17, 2018, entered into between SIDBI Trustee Company Limited, the trustee of SIDBI Social Venture Trust through its scheme, Samridhi Fund, acting through its investment manager, SIDBI Venture Capital Limited, Vinayak S. Gan, Abijeet V. Gan, Vaishali Gan and our Company;

24. Letter to SIDBI dated February 3, 2025 in relation to its exit from our Company;

25. Employment agreement dated September 28, 2023 entered into between Company and Vinayak S. Gan;

26. Employment agreement dated September 28, 2023 entered into between Company and with Abhijeet V. Gan;

27. Resolution dated February 10, 2025 passed by the Audit Committee approving the KPIs;

28. Tripartite agreement dated March 10, 2014 among our Company, NSDL and Registrar to the Offer;

29. Tripartite agreement dated May 7, 2014 among our Company, CDSL and Registrar to the Offer;

30. Due diligence certificate to SEBI from the BRLMs dated February 10, 2025;

31. In-principle listing approvals, each dated [●], from BSE and NSE; and

32. SEBI observation letter bearing reference number [●] and dated [●].

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules guidelines or regulations issued by the Government of India or the rules or regulations, or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or guidelines, or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Vinayak Shankarrao Gan
(Whole-time Director)

Place: Nagpur
Date: February 10, 2025

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules guidelines or regulations issued by the Government of India or the rules or regulations, or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or guidelines, or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Abhijeet Vinayak Gan
(Managing Director and Chief Executive Officer)

Place: Nagpur
Date: February 10, 2025

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India or the rules or regulations, or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or guidelines, or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Aparna Krishnakant Pittie
(Non-Executive Nominee Director)

Place: Mumbai
Date: February 10, 2025

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules guidelines or regulations issued by the Government of India or the rules or regulations, or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or guidelines, or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Vinod K. Verma
(Independent Director)

Place: Delhi
Date: February 10, 2025

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules guidelines or regulations issued by the Government of India or the rules or regulations, or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or guidelines, or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Ashutosh Prabhakar Joshi
(Independent Director)

Place: Nagpur
Date: February 10, 2025

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules guidelines or regulations issued by the Government of India or the rules or regulations, or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or guidelines, or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Khushboo Anish Pasari
(Independent Director)

Place: Nagpur
Date: February 10, 2025

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules guidelines or regulations issued by the Government of India or the rules or regulations, or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or guidelines, or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY CHIEF FINANCIAL OFFICER

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Shyam Balkrishna Bhattbhatt

Place: Nagpur
Date: February 10, 2025

DECLARATION

I, Vinayak S. Gan, acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as the Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including any of the statements, disclosure and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

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Vinayak Shankarrao Gan
(Promoter Selling Shareholder)

Place: Nagpur
Date: February 10, 2025

DECLARATION

I, Abhijeet V. Gan, acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as the Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including any of the statements, disclosure and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

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Abhijeet Vinayak Gan
(Promoter Selling Shareholder)

Place: Nagpur
Date: February 10, 2025

DECLARATION

We, Water Access Acceleration Fund S.L.P., acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus in relation to ourselves, severally and not jointly, as the Investor Selling Shareholder and our respective portion of the Offered Shares, are true and correct. We assume no responsibility as a Selling Shareholder, for any other statements, disclosures and undertakings, including, any of the statements, disclosures and undertakings made or confirmed by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

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For Water Access Acceleration Fund S.L.P.
(Investor Selling Shareholder)

Name: Aditya Bhandari
Partner and Regional Director Asia

Place: Belgium
Date: February 10, 2025