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PACE DIGITEK LIMITED

Corporate Identification Number: U31909KA2007PLC041949

REGISTERED OFFICE AND CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
Plot # V 12, Industrial Estate, Kumbalgodu, Bengaluru Mysore Highway, Bengaluru, Karnataka – 560074	Meghana M P, Company Secretary and Compliance Officer	Email: complianceofficer@pacedigitek.com Tel: 080-29547792	www.pacedigitek.com

OUR PROMOTERS: MADDISETTY VENUGOPAL RAO, PADMA VENUGOPAL MADDISETTY, RAJIV MADDISETTY AND LAHARI MADDISETTY

DETAILS OF THE ISSUE TO PUBLIC

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
Fresh Issue	Up to [●] Equity Shares of face value of ₹ 2 each, aggregating up to ₹ 8,191.48 million.	Not Applicable	Up to [●] Equity Shares of face value of ₹ 2 each, aggregating up to ₹ 8,191.48 million.	The Issue is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For further details, see ' <i>Other Regulatory and Statutory Disclosures - Eligibility for the Issue</i> ' on page 501. For details in relation to share reservation among QIBs, NIIs and RIIs, see ' <i>Issue Structure</i> ' on page 540.

DETAILS OF THE OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDER	TYPE	NO. OF EQUITY SHARES BEING OFFERED / AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARES (IN ₹)

Not Applicable

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Share is ₹ 2 each. The Floor Price, the Cap Price and the Issue Price as determined and justified by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated under '*Basis for the Issue Price*' on page 166 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to '*Risk Factors*' on page 36.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of face value of ₹ 2 each to be issued through this Red Herring Prospectus are proposed to be listed on the BSE Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE**, and together with the BSE, the **Stock Exchanges**). For the purposes of the Issue, BSE is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

LOGO	NAME OF THE BOOK RUNNING LEAD MANAGER	CONTACT PERSON	E-MAIL AND TELEPHONE
 UNISTONE	Unistone Capital Private Limited	Brijesh Parekh	E-mail: mb@unistonecapital.com Tel: +91 - 022-46046494

REGISTRAR TO THE ISSUE

LOGO	NAME OF THE REGISTRAR	CONTACT PERSON	E-MAIL AND TELEPHONE
	MUFG Intime India Private Limited (<i>formerly known as Link Intime India Private Limited</i>)	Shanti Gopalkrishnan	E-mail: pacedigitel.ipo@in.mpms. mufg.com Tel: +91 810 811 4949

BID/ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE	Thursday, September 25, 2025	BID/ISSUE OPENS ON	Friday, September 26, 2025	BID/ISSUE CLOSES ON	Tuesday, September 30, 2025



PACE DIGITEK LIMITED

Our Company was originally incorporated as 'Pace Power Systems Private Limited', at Bengaluru as a private limited company under the provisions of Companies Act, 1956 and received a certificate of incorporation issued by the RoC on March 1, 2007. Thereafter, pursuant to a special resolution passed by the Shareholders of our Company in their meeting on July 3, 2020, the name of our Company was changed to 'Pace Digitek Infra Private Limited', and a fresh certificate of incorporation dated July 24, 2020, was issued to our Company by the RoC. Pursuant to a Board resolution dated May 10, 2024 and a special resolution passed by the Shareholders of our Company in their meeting on May 28, 2024, the name of our Company was changed to 'Pace Digitek Private Limited', and a fresh certificate of incorporation dated July 29, 2024, was issued to our Company by the RoC. Subsequently, our Company got converted into a public limited company pursuant to a Board resolution dated October 16, 2024 and a special resolution passed by the Shareholders of our Company on October 16, 2024, and the name of our Company was changed to its present name, 'Pace Digitek Limited', pursuant to a fresh certificate of incorporation dated November 19, 2024 issued to our Company by the RoC. For details of changes in the name and registered office of our Company, see 'History and Certain Corporate Matters' on page 315.

Registered Office and Corporate Office: Plot # V 12, Industrial Estate, Kumbalgodu, Bengaluru Mysore Highway, Bengaluru, Karnataka – 560074; **Contact Person:** Meghana M P, Company Secretary and Compliance Officer; **Tel:** 080-29547792; **E-mail:** complianceofficer@pacedigitek.com; **Website:** www.pacedigitek.com; and **Corporate Identification Number:** U31909KA2007PLC041949

OUR PROMOTERS: MADDISETTY VENUGOPAL RAO, PADMA VENUGOPAL MADDISETTY, RAJIV MADDISETTY AND LAHARI MADDISETTY

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH (EQUITY SHARES) OF PACE DIGITEK LIMITED (COMPANY) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (ISSUE PRICE) AGGREGATING UP TO ₹ 8,191.48 MILLION (ISSUE) COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] BY OUR COMPANY (FRESH ISSUE). THE ISSUE INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 20.00 MILLION (CONSTITUTING [●]% OF OUR POST-ISSUE EQUITY SHARE CAPITAL), FOR SUBSCRIPTIONS BY ELIGIBLE EMPLOYEES (EMPLOYEE RESERVATION PORTION). OUR COMPANY MAY, IN CONSULTATION WITH THE BRLM, OFFER A DISCOUNT OF UP TO [●]% OF THE ISSUE PRICE (EQUIVALENT OF ₹ [●] PER EQUITY SHARE) TO THE ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION (EMPLOYEE DISCOUNT), SUBJECT TO NECESSARY APPROVALS AS MAY BE REQUIRED. THE ISSUE LESS THE EMPLOYEE RESERVATION PORTIONS IS HEREINAFTER REFERRED TO AS THE 'NET ISSUE'. THE ISSUE AND THE NET ISSUE SHALL CONSTITUTE [●]% AND [●]% OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 2 EACH AND THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, EMPLOYEE DISCOUNT, IF ANY, AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (BRLM) AND WILL BE ADVERTISED IN ALL EDITIONS OF THE BUSINESS STANDARD, AN ENGLISH LANGUAGE NATIONAL DAILY WITH WIDE CIRCULATION, ALL EDITIONS OF BUSINESS STANDARD, A HINDI LANGUAGE NATIONAL DAILY WITH WIDE CIRCULATION, AND ALL EDITION OF VISHWAVANI, A KANNADA LANGUAGE NATIONAL DAILY NEWSPAPER (KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (BSE) AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE, AND TOGETHER WITH THE BSE, THE STOCK EXCHANGES) FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (SEBI ICDR REGULATIONS).

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

The Issue is being made through Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 (SCRR), read with Regulation 31 of the SEBI ICDR Regulations. The Issue is being made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (QIBs) (such portion referred to as **QIB Portion**), provided that our Company, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (**Anchor Investor Portion**), out of which one-third shall be reserved for

domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (**Anchor Investor Allocation Price**), in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1.00 million; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Net Issue 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 Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily use the Application Supported by Blocked Amount (**ASBA**) process providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For further details, see '*Issue Procedure*' on page 520.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 2. The Floor Price, the Cap Price and the Issue Price as determined and justified by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated under '*Basis for the Issue Price*' on page 166 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to '*Risk Factors*' on page 36.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares to be issued through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares pursuant to letters each dated August 20, 2025, respectively. For the purposes of the Issue, BSE is the Designated Stock Exchange. A signed copy of this Red Herring Prospectus shall be filed with the RoC in accordance with Section 26(4) and a signed copy of the Prospectus shall be filed with the RoC in accordance with Section 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus until the Bid/Issue Closing Date, see '*Material Contracts and Documents for Inspection*' on page 584.

BOOK RUNNING LEAD MANAGER



REGISTRAR TO THE ISSUE



Unistone Capital Private Limited A/305, Dynasty Business Park Andheri Kurla Road, Andheri East, Mumbai 400 059, Maharashtra, India. Tel: +91 022-46046494 E-mail: mb@unistonecapital.com Website: www.unistonecapital.com Investor grievance e-mail: compliance@unistonecapital.com Contact person: Brijesh Parekh SEBI Registration Number: INM000012449			MUFG Intime India Private Limited (formerly Link Intime India Private Limited) C-101, 247 Park L B S Marg, Vikhroli (West), Mumbai, 400 083, Maharashtra, India. Tel: +91 810 811 4949 E-mail: pacedigitek.ipo@in.mpms.mufg.com Website: www.mpms.mufg.com Investor grievance e-mail: pacedigitek.ipo@in.mpms.mufg.com Contact Person: Shanti Gopalkrishnan SEBI Registration Number: INR000004058		
BID/ISSUE PERIOD					
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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, terms used in 'Description of Equity Shares and Main Provisions of the Articles of Association', 'Statement of Special Tax Benefits', 'Basis for the Issue Price', 'Industry Overview', 'Key Regulations and Policies', 'Issue Procedure', 'Financial Information' 'Outstanding Litigation and Other Material Developments' and 'Restriction on Foreign Ownership of Indian Securities' on page 547, 177, 166, 183, 310, 520, 361, 485 and 545 respectively, shall have the meaning ascribed to such terms in the relevant section.

General terms

Term	Description
'our Company', 'Company' or 'Issuer'	Pace Digitek Limited, a company incorporated under the Companies Act, 1956, with Registered and Corporate Office situated at Plot # V 12, Industrial Estate, Kumbalgodu, Bengaluru Mysore Highway, Bengaluru - 560074, Karnataka, India.
'we', 'us', or 'our'	Unless the context otherwise indicates or implies or refers to our Company.

Company related terms

Term	Description
AoA/ Articles of Association/ Articles	Articles of association of our Company, as amended.
Audit Committee	The audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in 'Our Management – Committees of Our Board' on page 337.
Auditors or Statutory Auditors	The Statutory auditors of our Company, namely S S Kothari Mehta & Co LLP, Firm Registration No 000756N/N500441.
Board or Board of Directors	The Board of directors of our Company or a duly constituted committee thereof. For further details see 'Our Management' on page 328.
Chairman and Managing Director	The chairman and managing director of our Company, namely, Maddisetty Venugopal Rao. For further details, see 'Our Management' on page 328.
Chief Financial Officer or CFO	The Chief Financial Officer of our Company, namely, P. Rajavendhan.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, namely, Meghana M P.
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in 'Our Management – Committees of Our Board' on page 337.
Director(s)	The director(s) on the Board of our Company as appointed from time to time. For further details, see 'Our Management' on page 328.
Equity Shares	Equity shares of our Company of face value of ₹ 2 each.
Executive Director(s)	An executive director of our Company.
Group Companies	In terms of the SEBI ICDR Regulations, the term 'group companies', includes: (i) such companies (other than promoter(s) and subsidiary(ies)) with which our Company had related party transactions during the periods for which financial

Term	Description
	information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by our Board.
Independent Chartered Accountant	The chartered accountant appointed by our Company, namely, M/s MRKS and Associates with Firm Registration Number 023711N.
Independent Director(s)	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see ' <i>Our Management</i> ' on page 328.
Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1) (bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act and as disclosed in ' <i>Our Management – Key Managerial Personnel and Senior Management</i> ' on page 346.
Key Performance Indicators/ KPIs	Key financial and operational performance indicators of our Company, as included in ' <i>Basis for the Issue Price</i> ' on page 166.
Materiality Policy	The policy adopted by our Board pursuant to its resolution dated August 30, 2025, for identification of: (a) material outstanding litigation involving our Company, our Subsidiaries, our Promoters, our Directors; (b) Group Company(ies); and (c) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations and for the purpose of disclosure in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus.
Material Subsidiaries	Collectively, Lineage Power Private Limited and Pace Renewable Energies Private Limited (Pace Renewable Energies Private Limited was a material subsidiary based on the Restated Consolidated Financial Information as at and for Fiscal 2024. However, Pace Renewable Energies Private Limited is not a material subsidiary based on the Restated Consolidated Financial Information as at and for Fiscal 2025).
Memorandum of Association or MoA	The memorandum of association of our Company, as amended.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations and as described in ' <i>Our Management – Committees of Our Board</i> ' on page 337.
Non-Executive Director(s)	Non-executive Director(s) of our Company.
Promoters	Collectively, Maddisetty Venugopal Rao, Padma Venugopal Maddisetty, Rajiv Maddisetty and Lahari Maddisetty.
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in ' <i>Our Promoter and Promoter Group – Our Promoter Group</i> ' on page 354.
Registrar of Companies or RoC	Registrar of Companies, Karnataka at Bengaluru.
Registered and Corporate Office	The registered office of our Company, situated at Plot # V 12, Industrial Estate, Kumbalgodu, Bengaluru Mysore Highway, Bengaluru, Karnataka, India, 560074.
Restated Consolidated Financial Information	The restated consolidated financial information of our Company as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the restated summary statements of profit and loss and the restated summary statement of cash flows for financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 together with the notes to the restated consolidated financial information prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time.
Risk Management Committee	The risk management committee of our Company, constituted in accordance with the applicable provisions of the SEBI Listing Regulations and as described in ' <i>Our Management - Committees of Our Board</i> ' on page 337.
Senior Management	Senior management of our Company in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations and as disclosed in ' <i>Our Management – Key Managerial Personnel and Senior Management</i> ' on page 346.

Term	Description
Shareholder(s)	Shareholder(s) holding Equity Shares of our Company, from time to time.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in ' <i>Our Management – Committees of Our Board</i> ' on page 337.
Subsidiaries	Collectively, Lineage Power Private Limited, Pace Renewable Energies Private Limited, AP Digital Infra Private Limited, Inso Pace Private Limited, Lineage Power Holdings (Singapore) Pte. Ltd and Lineage Power (Myanmar) Limited. For further details, see ' <i>Our Subsidiaries</i> ' on page 321.
Whole-Time Directors	The whole-time directors of our Company, namely, Rajiv Maddisetty and Padma Venugopal Maddisetty. For further details, see ' <i>Our Management</i> ' on page 328.

Issue Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allot, Allotment or Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue.
Allotment Advice	A note or advice or intimation of Allotment sent to all the Bidders who have Bid in the Issue 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 QIB, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus which has bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which the Equity Shares will be allocated to the Anchor Investors in terms of this Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLM, during the Anchor Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and Prospectus.
Anchor Investor Bidding Date	The day i.e., Thursday, September 25, 2025, being 1 Working Day prior to the Bid/Issue Opening Date, on which Bids by the Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM.
Anchor Investor Pay-In Date	With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, a date not later than 2 Working Days after the Bid/ Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.

Term	Description
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidders which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism.
ASBA Bid	A Bid made by an ASBA bidder.
ASBA Bidders	All Bidders except Anchor Investor(s).
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank, the Refund Bank, the Sponsor Bank and the Public Issue Account Bank, as the case may be.
Basis of Allotment	The Basis on which the Equity Shares will be Allotted to successful Bidders under the Issue, and which is described in 'Issue Structure' on page 540.
Bid	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of Draft Red Herring Prospectus and the Bid cum Application form. The term 'Bidding' shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid. Eligible Employees applying in the Employee Reservation Portion can apply at the Cut Off Price and the Bid Amount shall be Cap Price (net of the Employee Discount), multiplied by the number of Equity Shares Bid for such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 0.50 million (net of the Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 0.20 million (net of the Employee Discount). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of the Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of the Employee Discount).
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being Tuesday, September 30, 2025, which shall be published in all editions of the Business Standard, an English language national daily with wide circulation and all editions of Business Standard, a Hindi language national daily with wide circulation and regional edition of Vishwvani (a widely circulated Kannada regional daily newspaper, Kannada being the regional language of Bengaluru, Karnataka where our Registered Office is located).

Term	Description
Bid/Issue Period	Except in relation to the Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations. Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations. In case of any revisions, the extended Issue Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Issue Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Issue 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 Friday, September 26, 2025 which shall be published in all editions of the Business Standard, an English language national daily with wide circulation and all editions of Business Standard, a Hindi language national daily with wide circulation and regional edition of Vishwavani (a widely circulated Kannada regional daily newspaper, Kannada being the regional language of Bengaluru, Karnataka where our Registered Office is located).
Bidder / Applicant	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	The centres at which at the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager or BRLM	The book running lead manager to the Issue namely, Unistone Capital Private Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker and in case of RIBs only ASBA Forms with UPI. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
CAN or Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to the Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, including any revisions thereof, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	Agreement dated September 18, 2025 entered amongst our Company, the Registrar to the Issue, the BRLM, the Syndicate Member and the Banker(s) to the Issue for the appointment of the Sponsor Bank(s) in accordance with the Circular on Streamlining of Public Issues, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue 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 demat account.
Collecting Depository Participant(s)/CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the UPI Circulars and SEBI ICDR Master Circular (to the extent applicable), as per the list available on the websites of BSE and NSE, as updated from time to time.

Term	Description
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI Circular.
CRISIL	CRISIL Limited
CRISIL Report	Report titled ' <i>Assessment of telecom tower optical fibre EPC solar energy and rural electrification markets in India</i> ' dated December 2024 as amended pursuant to an addendum to the report dated September 1, 2025, prepared and issued by CRISIL appointed by our Company pursuant to an engagement letter dated May 3, 2024 and exclusively commissioned and paid for by our Company in connection with the Issue. A copy of the CRISIL Report is available on the website of our Company at https://www.pacedigitek.com/pdf/DRHP-Documents/Industry-Report.pdf
Cut-off Price	Issue Price, finalised by our Company, in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders and the Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where applicable.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Issue Account or the Refund Account(s), as the case may be, and instructions are given to the SCSBs (in case of UPI Bidders using UPI Mechanism, instructions through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account(s) or the Refund Account(s), as appropriate, in terms of this Red Herring Prospectus and the Prospectus following which Equity Shares will be Allotted in the Issue to the successful Bidders.
Designated Intermediaries	In relation to ASBA Forms submitted by (i) RIBs, (ii) Non-Institutional Bidders with an application size of up to ₹ 0.50 million (not using the UPI mechanism) and the Eligible Employees Bidding in the Employee Reservation 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 Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub Syndicate/agents, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTA.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated SCSB Branches	Such branches of the SCSBs, which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus or DRHP	The draft red herring prospectus dated March 27, 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 Issue.

Term	Description
Eligible Employee(s)	A permanent employee of our Company and / or our Subsidiaries working in India or out of India (excluding such employees who are not eligible to invest in the Issue under applicable laws), as on the date of filing of this Red Herring Prospectus with SEBI and who continue to be a permanent employee of our Company and / or our Subsidiaries until the submission of the Bid cum Application Form; or a director of our Company and / or Subsidiaries, whether whole-time or not, as on the date of the filing of this Red Herring Prospectus with SEBI and who continue to be a permanent employee of our Company or Subsidiaries, until the submission of the Bid cum Application Form, but excludes: (a) an employee who is our Promoter or the member of our Promoter Group; (b) a director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of outstanding Equity Shares of our Company; and (c) our Independent Directors. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 0.50 million (net of the Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 0.20 million (net of the Employee Discount). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of the Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of the Employee Discount).
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the ASBA Form and this Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
Escrow Account(s)	Non-lien and non-interest-bearing accounts to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as banker to an issue, under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Account in relation to the Issue for Bids by Anchor Investors, will be opened, in this case being Kotak Mahindra Bank.
First Bidder / Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
Fresh Issue	The fresh issue comprising of an issuance of up to [●] Equity Shares of face value of ₹ 2 each at ₹ [●] per Equity Share aggregating up to ₹ 8,191.48 million by our Company.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 as amended.
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
Gross Proceeds	The gross proceeds of the Fresh Issue.
Issue	The initial public offer of the Equity Shares of up to [●] Equity Shares of face value of ₹ 2 each for cash at a price of ₹ [●] each, aggregating up to ₹ 8,191.48 million. The Issue comprises of the Net Issue and Employee Reservation Portion. The unsubscribed portion, if any, in the Employee Reservation Portion after allocation of up to ₹ 0.50 million (net of Employee Discount) shall be added to the Net Issue.

Term	Description
Issue Agreement	Agreement dated March 27, 2025 amongst our Company and the BRLM pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors in terms of this Red Herring Prospectus and Prospectus. The Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price which will be decided by our Company in consultation with the BRLM in terms of this Red Herring Prospectus and the Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of this Red Herring Prospectus. A discount of up to [●]% on the Issue Price (equivalent of ₹ [●] per Equity Share) may be offered to the Eligible Employees Bidding in the Employee Reservation Portion. This Employee Discount, if any, will be decided by our Company, in consultation with the BRLM.
Issue Proceeds	The proceeds of the Issue shall be available to our Company.
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids being received at or above the Issue Price.
Monitoring Agency	Crisil Ratings Limited
Monitoring Agency Agreement	The Agreement dated September 18, 2025 entered into between our Company and the Monitoring Agency.
Mutual Fund Portion	5% of the Net QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Issue	The Issue less the Employee Reservation Portion
Net Proceeds	The Issue Proceeds less our Company's share of the Issue related expenses applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Issue expenses, see ' <i>Objects of the Issue</i> ' on page 142.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Bidders/ NIB(s)	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price, out of which (i) one third shall be reserved for NIBs with application size exceeding ₹ 0.20 million up to ₹ 1.00 million; and (ii) two-thirds shall be reserved for NIBs with application size exceeding ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Bidders.
Non-Resident	Person resident outside India, as defined under FEMA and includes NRIs, FVCIs, VCFs, and FPIs.

Term	Description
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 Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of the Business Standard, an English language national daily with wide circulation and all editions of Business Standard, a Hindi language national daily with wide circulation and regional edition of Vishwavani (a widely circulated Kannada regional daily newspaper, Kannada being the regional language of Bengaluru, Karnataka where our Registered Office is located) at least 2 Working Days prior to the Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. Provided that the Cap Price shall be the minimum 105% of the Floor Price and shall not exceed than 120% of the Floor Price.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price.
Prospectus	The prospectus to be filed with the RoC for this Issue in accordance with the provisions of Section 26 of the Companies Act and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account(s)	Bank account(s) to be opened with the Public Issue Account Bank(s) under Section 40(3) of the Companies Act to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
Public Issue Account Bank(s)	The bank(s) with which the Public Issue Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Account on the Designated Date, in this case being HDFC Bank Limited.
QIB Category or QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Bidders	QIB who Bids in the Issue.
Red Herring Prospectus or RHP	This red herring prospectus dated September 19, 2025 issued in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the Issue Price and the size of the Issue, including any addenda or corrigenda thereto. This Red Herring Prospectus will be filed with the RoC at least 3 Working Days before the Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investor(s) shall be made.
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being Kotak Mahindra Bank Limited.
Registered Brokers	Stockbrokers registered under SEBI (Stockbrokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the BRLM and the Syndicate Members.
Registrar Agreement	Agreement dated March 27, 2025 amongst our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the SEBI RTA Master Circular, as per the list available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and the UPI Circulars.

Term	Description
Registrar to the Issue or Registrar	MUFG Intime India Private Limited (<i>formerly Link Intime India Private Limited</i>).
Retail Individual Bidder(s) or Retail Individual Investors or RIB(s) or 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 Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue comprising of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and the Eligible Employee Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date.
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time; (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time. In accordance with the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, issued by SEBI, UPI Bidders using UPI Mechanism may apply through the SCSBs and mobile applications (apps) whose name appears on the SEBI website. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time.
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders and in case of RIBs, only ASBA Forms with UPI.
Sponsor Bank(s)	The Banker(s) to the Issue registered with SEBI appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the UPI Bidders into the UPI, the Sponsor Bank in this Issue being Kotak Mahindra Bank Limited and HDFC Bank Limited.
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited.
Syndicate or the members of the Syndicate	Together, the BRLM and the Syndicate Member.
Syndicate Agreement	Agreement dated September 18, 2025 among our Company, the Registrar to the Issue, the BRLM and the Syndicate Member in relation to collection of Bid cum Application Forms by Syndicate.
Syndicate Member	The BRLM and the Syndicate member as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, namely Globalworth Securities Limited.
Underwriters	[●].
Underwriting Agreement	The agreement dated [●] among the Underwriters, our Company and Registrar to the Issue to be entered into on or after the Pricing Date but prior to filing of Prospectus with the RoC.
UPI	Unified Payment Interface, which is an instant payment mechanism, developed by NPCI.

Term	Description
UPI Bidder(s)	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Eligible Employees Bidding in the Employee Reservation Portion and (iii) Non-Institutional Bidders with an application size of and up to ₹ 0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI Mechanism and shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a Syndicate Member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	Collectively, SEBI RTA Master Circular and SEBI ICDR Master Circular to the extent applicable and circulars to the extent issued by the Stock Exchanges in this regard, including the NSE circular number 25/2022 dated August 3, 2022, and circular number 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application and by way of a SMS directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The mechanism that may be used by UPI Bidders to make a Bid in the Issue in accordance with the UPI Circulars.
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid /Issue Period, 'Working Day' shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Technical / industry related terms

Term	Description
SOH	State of Health
ATP	Automatic Train Protection
BESS	Battery Energy Storage Systems
BMS	Battery Management System
CAN	Control Area Network
CCU	Charge Control Unit
DC	Direct Current
EMS	Energy Management System
EPC	Engineering, Procurement and Construction
ERP	Enterprise Resource Planning
GPRS	General Packet Radio Service
HDCPS	Hybrid DC Power System
ICT	Information, Communication and Technology

Term	Description
IPMS	Integrated Power Management Systems
IPMU	Intelligent Power Management Units
O&M	Operations & Maintenance
OFC	Optical Fibre Cables
OpCos	Operating Companies
PCS	Power Conversion System
QA	Quality Assurance
QC	Quality Control
RDSO	Research Designs & Standards Organisation
RMS	Remote Monitoring System
RTE	Round Trip Efficiency
SMPS	Switch Mode Power Supply
SOC	State of Charge
SOP	Standard Operating Procedures
SPOC	Single Point of Contact

Conventional and general terms and abbreviations

Term	Description
₹/ Rs. / Rupees/ INR	Indian Rupees
₹ million	Indian Rupee million
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
Banking Regulation Act	The Banking Regulation Act, 1949
Bn/bn	Billion
BSE	BSE Limited
CAGR	Compounded annual growth rate.
Category I FPI(s)	FPIs who are registered as ‘Category I foreign portfolio investors’ under the SEBI FPI Regulations.
Category II FPI(s)	FPIs who are registered as ‘Category II foreign portfolio investors’ under the SEBI FPI Regulations.
CDSL	Central Depository Services (India) Limited.
CGST	Central Goods and Services Act, 2017
Companies Act, 1956	erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
Companies Act/ Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder.
COVID-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020 by the World Health Organisation.
CSR	Corporate Social Responsibility
CY	Calendar Year
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s Identification
‘DP’ or ‘Depository Participant’	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade
EBITDA	Earnings before interest, taxes, depreciation, amortisation, gain or loss from continued operations and exceptional items.
EBITDA Margin	EBITDA during a given period as a percentage of revenue from operations during that period
EGM	Extraordinary General Meeting
EMDE(s)	Emerging Markets and Developing Economies

Term	Description
EPS	Earnings per Share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
‘Financial Year’, ‘Fiscal’, ‘fiscal’, ‘Fiscal Year’ or ‘FY’	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GAAP	Generally Accepted Accounting Principles
GDP	Gross domestic product
‘GoI’ or ‘Government’	Government of India
GST	Goods and services tax
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act or IT Act	Income Tax Act, 1961
Ind AS / Indian Accounting Standards	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
MSME	Micro, Small & Medium Enterprises
‘N.A.’ or ‘NA’	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
No.	Number
NPCI	National Payments Corporation of India
‘NR’ or ‘Non-Resident’	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
NRE Account	Non-Resident External Accounts
NRI	A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an ‘Overseas Citizen of India Cardholder’ within the meaning of Section 7(A) of the Citizenship Act, 1955
NRO	Non-Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
‘OCB’ or ‘Overseas Corporate Body’	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to participate in the Issue
PAT	Profit After Tax
PAT Margin	Net profit after taxes divided by our revenue from operations
PBT	Profit Before Tax

Term	Description
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
RBI	Reserve Bank of India
ROE	Return on Equity
RoNW	Return on Net Worth
ROCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI ICDR Master Circular	SEBI Master Circular bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024.
SEBI RTA Master Circular	SEBI Master Circular bearing reference number SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed by the SEBI AIF Regulations
Stock Exchanges	Together, BSE and NSE
‘U.S.’ or ‘USA’ or ‘United States’	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
‘USD’ or ‘US\$’	United States Dollars
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

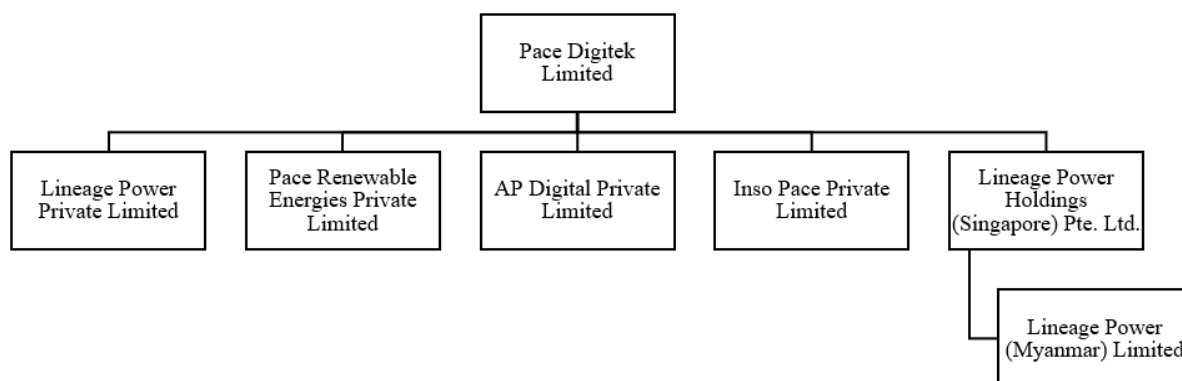
SUMMARY OF THE ISSUE DOCUMENT

*Unless otherwise indicated, industry and market data used in this section has been derived from CRISIL Report titled 'Assessment of telecom tower optical fibre EPC solar energy and rural electrification markets in India' dated December 2024 as amended pursuant to an addendum to the report dated September 1, 2025 prepared and issued by CRISIL (**CRISIL Report**), appointed by us pursuant to engagement letter dated May 3, 2024, and exclusively commissioned and paid for by us in connection with the Issue. Unless otherwise indicated, all industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. CRISIL was appointed by our Company and is not connected to our Company, our Directors, and our Promoters, our Key Managerial Personnel, Senior Management or BRLM. A copy of the CRISIL Report is available on the website of our Company at <https://www.pacedigitek.com/pdf/DRHP-Documents/Industry-Report.pdf>.*

This section is a general summary of the terms of the Issue and of certain disclosures included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this 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 Red Herring Prospectus, including 'Risk Factors', 'Industry Overview', 'Our Business', 'Capital Structure', 'The Issue' and 'Outstanding Litigation and Material Developments' on pages 36, 183, 274, 105, 87 and 485, respectively.

Summary of primary business of our Company and Pace Renewable Energies Private Limited

We are a telecom infrastructure solutions provider with a significant focus on the telecom industry including telecom tower infrastructure and optical fibre cables. We undertake manufacturing, installation and commissioning services of products at the site and undertake operation and maintenance of site including tower erection and optical fiber cable laying as turnkey solution. We generate our revenue from operations from 3 verticals i.e., telecommunications, energy, and information and communication technology (ICT). In the energy sector we provide solar and battery energy storage solutions including products manufacturing, installation and commissioning services, and operation and maintenance, including turnkey projects. We have established operational presence in Maharashtra, Gujarat, Karnataka, Andhra Pradesh, Jammu and Kashmir, Uttarakhand, Assam, Manipur, Arunachal Pradesh, Mizoram, Nagaland, Sikkim among others along with operations in Myanmar and Africa. Our Company has 6 subsidiaries (including 1 step down subsidiary) as set out below:



Our Subsidiary, Pace Renewable Energies Private Limited, is involved in the business of renewable energy, solar projects, solarisation of telecom towers and BESS solutions. Pace Renewable Energies Private Limited has undertaken installation of solar power generating system including installation of solar panels and batteries, and operation and maintenance of the site for a contracted period of 10 years. We also undertake turnkey projects for renewable energy sector through Pace Renewable Energies Private Limited.

For details of our Subsidiaries, see 'Our Subsidiaries' on page 321.

Summary of industry in which our Company operates

According to CRISIL, telecom towers are mainly of two types i.e., ground-based or roof-top towers. Roof-top towers require less space compared to ground-based towers and has lower installation cost. However, the capacity of ground-based towers is comparatively less than that of roof-top towers. The Indian optical fibre EPC industry

is defined according to service offerings, such as optical fibre laying and roll-out, network deployment, and system integration across end-use sectors, such as telecommunications, defence, railways, smart cities, IT, and enterprises, etc. Telecom tower companies set up an entire range of passive infrastructure to be used by telecom operators to offer services to their subscribers. Passive infrastructure refers to equipment such as towers, shelters, power regulation equipment, battery back-ups, diesel generator (DG) sets, air-conditioners, fire extinguishers and security cabins required at sites where telecom towers are installed. The participants in the industry comprise telecom tower Companies and optical fibernet companies. Battery energy storage system (BESS) is an electrochemical device that charges (or collects energy) from the grid and discharges that energy at a later time to provide electricity or other grid services when needed. The battery system comprises the battery pack, which connects multiple cells to appropriate voltage and capacity; the battery management system (BMS); and the battery thermal management system. The BMS protects the cells from harmful operation, in terms of voltage, temperature and current, to achieve reliable and safe operation and balances varying cell states-of-charge (SOCs) within a serial connection.

Name of Promoters

The Promoters of our Company are Maddisetty Venugopal Rao, Rajiv Maddisetty, Padma Venugopal Maddisetty and Lahari Maddisetty. As on the date of this Red Herring Prospectus, our Promoters hold 150,000,000 Equity Shares constituting 84.07% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth below:

Sr. No.	Name of the Promoter	No. of Equity Shares	Percentage of the pre-Issue Equity Share capital (%)
1.	Maddisetty Venugopal Rao	50,033,310	28.04
2.	Padma Venugopal Maddisetty	49,983,330	28.01
3.	Rajiv Maddisetty	24,991,680	14.01
4.	Lahari Maddisetty	24,991,680	14.01
Total		150,000,000	84.07

Issue size

Issue of Equity Shares⁽¹⁾	Fresh Issue of up to [●] Equity Shares of face value of ₹ 2, for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ 8,191.48 million
Employee Reservation⁽²⁾	Up to [●] Equity Shares of face value of ₹ 2, aggregating up to ₹ 20.00 million
Net Issue	Up to [●] Equity Shares of face value of ₹ 2, aggregating up to ₹ 8,171.48 million

⁽¹⁾ The Issue has been authorised by our Board pursuant to the resolution passed at its meeting dated February 1, 2025 and has been authorised by our Shareholders pursuant to a special resolution passed at their meeting dated February 1, 2025. For further details, see 'The Issue' on page 87.

⁽²⁾ In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of Employee Discount) subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion after allocation up to ₹ 0.50 million (net of Employee Discount) shall be added to the Net Issue. Our Company may, in consultation with the BRLM, offer a discount of up to [●]% on the Issue Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Issue Opening Date. For further details, see 'The Issue' and 'Issue Structure' on pages 87 and 540, respectively.

Objects of the Issue

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

(in ₹ million)

Sr. No.	Particulars	Estimated utilisation from Net Proceeds
1.	Funding capital expenditure requirement for investment in our Subsidiary, Pace Renewable Energies Private Limited, for setting up battery energy storage systems (BESS) for a project awarded by the Maharashtra State Electricity Distribution Company Limited (MSEDCL)	Up to 6,300.00
2.	General corporate purposes ⁽¹⁾	[●]

Sr. No.	Particulars	Estimated utilisation from Net Proceeds
	Net Proceeds⁽¹⁾	[●]

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

For further details, see 'Objects of the Issue' on page 142.

Aggregate Pre-Issue shareholding of Promoter and the members of our Promoter Group as a percentage of the paid-up Equity Share capital

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of total pre-Issue paid up equity share capital (%)
Promoters			
1.	Maddisetty Venugopal Rao	50,033,310	28.04
2.	Padma Venugopal Maddisetty	49,983,330	28.01
3.	Rajiv Maddisetty	24,991,680	14.01
4.	Lahari Maddisetty	24,991,680	14.01
Sub-Total (A)		150,000,000	84.07
Promoter Group			
1.	Dheeraj Varma Mudduluru	7,140	0.00
Sub-Total (B)		7,140	0.00
Total (A+B)		150,007,140	84.07

For further details, see 'Capital Structure' on page 105.

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Shareholding of Promoter, Promoter Group and Additional top 10 Shareholders of our Company

Set out below is the shareholding of our Promoter, Promoter Group and additional top 10 Shareholders as of the date of allotment:

Sr. No.	Pre-Issue shareholding as at the date of this Red Herring Prospectus			Post Issue shareholding at Allotment ⁽¹⁾			
	Shareholders	Number of equity Shares ⁽¹⁾	Sharehold ing (in %) ⁽¹⁾	At the lower end of the price band (₹ [●])		At the upper end of the price band (₹ [●])	
				Number of Equity Shares ⁽²⁾	Sharehold ing (in %) ⁽²⁾	Number of Equity Shares ⁽²⁾	Sharehold ing (in %) ⁽²⁾
	Promoters (A)						
1.	Maddisetty Venugopal Rao	50,033,310	28.04	[●]	[●]	[●]	[●]
2.	Padma Venugopal Maddisetty	49,983,330	28.01	[●]	[●]	[●]	[●]
3.	Rajiv Maddisetty	24,991,680	14.01	[●]	[●]	[●]	[●]
4.	Lahari Maddisetty	24,991,680	14.01	[●]	[●]	[●]	[●]
	Promoter Group (B)						
5.	Dheeraj Varma Mudduluru	7,140	0.00	[●]	[●]	[●]	[●]
	Total of Promoters and Promoter Group (A+B)	150,007,140	84.07	[●]	[●]	[●]	[●]
	Additional top 10 shareholders						
6.	G K Tobacco Industries Private Limited	3,499,980	1.96	[●]	[●]	[●]	[●]
7.	Nova Global Opportunities Fund PCC - Touchstone	1,185,000	0.66	[●]	[●]	[●]	[●]
8.	Nitin Parakh	588,630	0.33	[●]	[●]	[●]	[●]
9.	Dovetail Global Fund PCC All Seasons India Opportunities Fund	529,699	0.30	[●]	[●]	[●]	[●]
10.	Bondada Green Engineering Private	375,000	0.21	[●]	[●]	[●]	[●]
11.	SB Opportunities Fund I	360,000	0.20	[●]	[●]	[●]	[●]
12.	Minerva Ventures Fund	360,000	0.20	[●]	[●]	[●]	[●]
13.	Chhattisgarh Investments Limited	360,000	0.20	[●]	[●]	[●]	[●]
14.	Marwadi Chandarana Intermediaries Brokers Private Limited	357,120	0.20	[●]	[●]	[●]	[●]
15.	Manish Kumar Jain	357,120	0.20	[●]	[●]	[●]	[●]
	Total of additional top 10 shareholders (C)	7,972,549	4.47	[●]	[●]	[●]	[●]
	Total (A+B+C)	157,979,689	88.53	[●]	[●]	[●]	[●]

⁽¹⁾ Includes all options, if any, that have been exercised until date of the Prospectus and any transfers of Equity Shares by

existing Shareholders after the date of the Pre-Issue and Price Band advertisement until the date of the Prospectus.

⁽²⁾ Based on the lower end of the price band of ₹ [●] and the upper end of the price band of ₹ [●] and subject to finalisation of the basis of allotment. To be updated at Prospectus stage

For further details, please refer to the section titled 'Capital Structure' on page 105.

Summary of selected Financial Information derived from our Restated Consolidated Financial Information

(in ₹ million, except per share data)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share capital	356.88	50.00	50.00
Net worth	10,803.25	4,500.61	2,287.90
Revenue from operations	24,387.80	24,344.89	5,031.96
Total Income	24,622.02	24,602.66	5,146.59
Profit/ (loss) after tax for the year	2,791.02	2,298.71	165.33
Earnings / (Loss) per equity share			
- Basic (in ₹)	16.30	14.63	0.95
- Diluted (in ₹)	16.30	14.63	0.95
Net asset value per Equity Share	71.24	35.97	21.22
Total Borrowings (including current and non-current borrowings)	1,606.99	4,931.87	1,921.06
Debt to Equity Ratio	0.13	0.87	0.57

1. Net Worth means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated statement of assets and liabilities but does not include reserves created out of revaluation of assets including revaluation reserve, capital redemption reserve, write back of depreciation and amalgamation.
2. Total Income means the sum of Revenue from Operations and Other Income
3. Basic EPS (₹) = Basic earnings per share are calculated by dividing the profit/ (loss) for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year including sub-division.
4. Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the profit/ (loss) for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares during the year including sub-division.
5. Net asset value (NAV) per equity share means total equity divided by weighted average number of equity shares post sub-division of shares.
6. Total borrowings comprise of current borrowing and non-current borrowings.
7. Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).

For further details, see 'Restated Consolidated Financial Information' on page 361.

Summary of selected Financial Information of Pace Renewable Energies Private Limited

Set out below is certain financial information of Pace Renewable Energies Private Limited from its audited standalone financial statements are set out below:

(in ₹ million, except per share data)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share capital	104.40	104.40	104.40
Net worth	636.30	781.60	667.27
Revenue from operations	0.78	73.39	94.57
Profit/ (loss) after tax for the year	(145.30)	114.33	43.67
Earnings / (Loss) per equity share			
- Basic (in ₹)	(13.92)	10.95	4.18
- Diluted (in ₹)	(13.92)	10.95	4.18
Net asset value per Equity Share	60.95	74.87	63.91

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total Borrowings (including current and non-current borrowings)	0.00	0.50	2.08

1. *Net Worth means the aggregate value of the paid-up share capital of Pace Renewable Energies Private Limited and all reserves created out of profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited statement of assets and liabilities but does not include reserves created out of revaluation of assets including revaluation reserve, capital redemption reserve, write back of depreciation and amalgamation.*
2. *Total Income means the sum of Revenue from Operations and Other Income*
3. *Basic EPS (₹) = Basic earnings per share are calculated by dividing the profit/ (loss) for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year including sub-division.*
4. *Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the profit/ (loss) for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares during the year including sub-division.*
5. *Net asset value (NAV) per equity share means total equity divided by weighted average number of equity shares post sub-division of shares.*
6. *Total borrowings comprise of current borrowing and non-current borrowings.*

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

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

Summary of Outstanding Litigations

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (₹ in million)*
1.	Company						
	By our Company	Nil	-	-	-	-	-
	Against our Company	Nil	24^	1	-	-	497.58
2.	Promoters						
	By our Promoter	Nil	-	-	-	Nil	Nil
	Against our Promoter	4	Nil	1	Nil	Nil	7.65
3.	Directors (other than Promoters)						
	By our Directors	Nil	-	-	-	Nil	Nil
	Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
4.	Subsidiaries						
	By our Subsidiaries	Nil	-	-	-	Nil	Nil
	Against our Subsidiaries	Nil	9	Nil	Nil	Nil	52.31

*To the extent quantifiable.

^ Includes 1 writ petition in relation to a tax proceeding which is pending before the High Court, Bengaluru. For further details, see 'Outstanding Litigation and Other Material Developments - Litigation involving our Company – Litigation against our Company - Tax proceedings' on page 486.

Further, as on the date of this Red Herring Prospectus, there are no outstanding litigation proceedings involving our Group Companies, the outcome of which could have a material impact on our Company. Further, as on the date of this Red Herring Prospectus, there are no criminal proceedings involving any of our Key Managerial Personnel and members of Senior Management or actions by regulatory authorities and statutory authorities against any of our Key Managerial Personnel and members of Senior Management.

For details, see '*Outstanding Litigation and Material Development*' on page 485.

Risk Factors

Specific attention of Investors is invited to '*Risk Factors*' on page 36. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. Set forth below are the top 10 risk factors applicable to us:

1. Our business is significantly reliant on certain key customers, and we derived 96.25%, 99.45% and 92.16% of our revenue from operations during the Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively, from our top 10 customers. Further, our business, results from operations, and financial condition are dependent on maintaining relationship with our customers. Further, our business, results from operations, and financial condition are dependent on maintaining relationship with our customers. Loss of any of these customers or loss of revenue from any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
2. A significant proportion of our orders are from government related entities which award the contract through a process of tender, and we derived 96.17%, 92.08% and 34.14% of our revenue from operations during the Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, from our public sector customers. Tenders, typically, are awarded to the lower bidder once all other eligibility criteria are met. Our performance could be adversely affected if we are not able to successfully bid for these contracts or required to lower our bid value.
3. Our business operations are diversified and are significantly dependent on demand from our end-use industries / sectors, in particular telecom sector. We derived 94.22%, 95.40% and 81.92% of our revenue from operations during the Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, from the telecom sectors. Any downturn in the end-use industries / sectors could have an adverse impact on our Company's business and results of operations.
4. Our source of revenue is concentrated in in states such as Maharashtra, Karnataka, Jammu and Kashmir, Andhra Pradesh and Tamil Nadu. We have derived 46.05%, 40.62% and 0.13% of our revenue from operations during the Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, from Western region of India. Our inability to operate and grow our business in such locations may have an adverse effect on our business, financial condition, result of operation, cash flow and future business prospects.
5. We are significantly reliant on a few vendors. Our expense towards procurement of raw materials during Fiscal 2025, Fiscal 2024 and Fiscal 2023 was 34.55%, 72.39% and 19.54% respectively. Any loss of vendors will have a material adverse impact on our business and our revenue.
6. Revenue from projects constituted 97.43%, 93.04% and 31.56%, of our revenue from operations during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Failure to maintain and augment our revenue therefrom could materially adversely affect our business and financial condition.
7. Our business operations have grown substantially in recent period, particularly in Fiscal 2024. Our revenue from telecom vertical was 94.22%, 95.40% and 81.92% during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. We may not be able to sustain our rate of growth in the future.
8. We commenced our operations as an electrical equipment product manufacturer for telecom infrastructure industry, and over the years we have expanded our operations in the telecom infrastructure industry to comprise products, projects, O&M, and services and solutions.
9. Failure to meet quality standards required by our customers may lead to cancellation of existing and future orders and expose us inter alia to warranty claims, including monetary liability. Our Company has incurred warranty charges amounting to ₹ 380.70 million, ₹ 273.23 million and Nil for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.
10. We have incurred negative net cash from investing activities during Fiscal 2024, Fiscal 2023, and, operating activities for Fiscal 2025 and Fiscal 2023 in the past. Long term negative net cash in investing activities and operating activities in the future could have an adverse impact on our growth prospects.

Summary of contingent liabilities

The details of our contingent liabilities as on March 31, 2025 derived from the Restated Consolidated Financial Information are set forth below:

(in ₹ million)

Particulars	As on March 31, 2025 (₹ million)
Claims against the group not acknowledged as debts	
Direct tax matters	93.76
Indirect tax matters	460.84
Total	554.60

For further details of our contingent liabilities, see ‘*Restated Consolidated Financial Information – Note 52*’ on page 439.

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Summary of Related Party Transactions

Set out below are the details of our related party transactions from our Restated Consolidated Financial Information as on and for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Transactions during the year are set out below

(in ₹ million)

Particulars	Relationship of the Related Party	For the Financial Year ended March 31, 2025	As a % of Revenue from Operations for Fiscal 2025 (%)	For the Financial Year ended March 31, 2024	As a % of Revenue from Operations for Fiscal 2024 (%)	For the Financial Year ended March 31, 2023	As a % of Revenue from Operations for Fiscal 2023 (%)
Sale of products/Services							
Lanarsy Infra Limited	Enterprises controlled or significantly influenced by key management personnel or their relatives	17.04	0.07%	14.74	0.06%	-	-
		17.04	0.07%	14.74	0.06%	-	-
Rental income							
Qogno Digital Infrastructure Private Limited	Enterprises controlled or significantly influenced by key management personnel or their relatives	-	-	-	-	0.25	0.00%
		-	-	-	-	0.25	0.00%
Engineering, procurement and construction project expenses							
Lanarsy Infra Limited	Enterprises controlled or significantly influenced by key management personnel or their relatives	1,355.84	5.56%	958.83	3.94%	-	-
Qogno Digital Infrastructure Private Limited		-	-	-	-	32.06	0.64%
	Key Management personnel or their relatives	1,355.84	5.56%	958.83	3.94%	32.06	0.64%
Other expenses							
Qogno Digital Infrastructure Private Limited	Enterprises controlled or significantly influenced by key management personnel or their relatives	-	-	-	-	1.52	0.03%
		-	-	-	-	1.52	0.03 %
Borrowings taken							
Venugopalrao Maddisetty	Key Managerial Personnel	-	-	80.00	0.33 %	160.00	3.18%
Maddisetty Padma		-	-	80.00	0.33%	50.00	0.99%

Particulars	Relationship of the Related Party	For the Financial Year ended March 31, 2025	As a % of Revenue from Operations for Fiscal 2025 (%)	For the Financial Year ended March 31, 2024	As a % of Revenue from Operations for Fiscal 2024 (%)	For the Financial Year ended March 31, 2023	As a % of Revenue from Operations for Fiscal 2023 (%)
Pace Power Systems	Entity in which a Director is a Partner/Member	47.00	0.19%	140.00	0.58%	100.00	1.99%
		47.00	0.19%	300.00	1.24%	310.00	6.16%
Repayment of borrowings							
Venugopalrao Maddisetty	Key Managerial Personnel	19.53	0.08%	69.31	0.28%	60.00	1.19%
Maddisetty Padma	Key Managerial Personnel	14.78	0.06%	59.36	0.24%	9.09	0.18%
Pace Power Systems	Entity in which a Director is a Partner/Member	146.77	0.60%	140.23	0.58%	-	-
		181.08	0.74%	268.90	1.10%	69.09	1.37%
Interest expenses							
Maddisetty Padma	Key Managerial Personnel	9.79	0.04%	11.08	0.05%	-	-
Pace Power Systems	Entity in which a Director is a Partner/Member	7.38	0.03%	13.64	0.06%	0.52	0.01%
Venugopalrao Maddisetty	Key Managerial Personnel	12.05	0.05%	11.13	0.05%	-	-
		29.22	0.12%	35.85	0.16%	0.52	0.01 %
Interest paid							
Maddisetty Padma	Key Managerial Personnel	1.10	0.00%	3.19	0.01%	-	-
Pace Power Systems	Entity in which a Director is a Partner/Member	7.38	0.03%	13.64	0.06%	0.52	0.01%
Venugopalrao Maddisetty	Key Managerial Personnel	1.21	0.00%	1.11	0.00%	-	-
		9.69	0.03%	17.94	0.07%	0.52	0.01%
Corporate social responsibility expenses							
Srinivasa Educational Society	Entity in which a Director is a interested	-	-	-	-	8.69	0.17%
		-	-	-	-	8.69	0.17 %
Rent Expenses							
Pace Power Systems	Entity in which a Director is a Partner/Member	34.99	0.14%	24.28	0.10%	31.18	0.62%
		34.99	0.14%	24.28	0.10%	31.18	0.62%
Reimbursement of LC & BG charges							
Lanarsy Infra Limited	Entity in which a Director is a Partner/Member	11.96	0.05%	-	-	-	-
		11.96	0.05%	-	-	-	-

Particulars	Relationship of the Related Party	For the Financial Year ended March 31, 2025	As a % of Revenue from Operations for Fiscal 2025 (%)	For the Financial Year ended March 31, 2024	As a % of Revenue from Operations for Fiscal 2024 (%)	For the Financial Year ended March 31, 2023	As a % of Revenue from Operations for Fiscal 2023 (%)
Rent deposit received							
Pace Power Systems	Entity in which a Director is a Partner/Member	19.70	0.08%	-	-	-	-
		19.70	0.08%	-	-	-	-
Other expenses							
Pace Power Africa Limited	Entity in which a Director is a Partner/Member	9.08	0.04%	-	-	-	-
Pace Power Systems	Entity in which a Director is a Partner/Member	119.76	0.49%	-	-	-	-
		128.84	0.53%	-	-	-	-
Advance salary							
Rajiv Maddisetty	Key Managerial Personnel	1.00	0.00%	-	-	-	-
		1.00	0.00%	-	-	-	-
Payment made on behalf of							
Pace Power Systems	Entity in which a Director is a Partner/Member	12.63	0.05%	-	-	-	-
		12.63	0.05%	-	-	-	-
Equity shares issued during the year							
Mudduluru Dheeraj Varma	Relative of the Key Managerial Personnel	1.00	0.00%	-	-	-	-
		1.00	0.00%	-	-	-	-
Interest income on corporate guarantee							
Pace Power Systems		-	-	39.92	0.16%	39.92	0.79%
		-	-	39.92	0.16 %	39.92	0.79%
Sitting fee paid to independent directors							
Om Prakash Mishra	Independent Director	0.20	0.00%	-	-	-	-
Prabhakar Reddy Patil	Independent Director	0.10	0.00%	-	-	-	-
Satishchandra B Ogale	Independent Director	0.20	0.00%	-	-	-	-
		0.50	0.00%	-	-	-	-
Remuneration paid to key managerial person							
Venugopalrao Maddisetty	Key Managerial Personnel	31.47	0.13%	17.97	0.07%	17.97	0.36%
Maddisetty Padma		20.33	0.08%	16.92	0.07%	16.15	0.32%

Particulars	Relationship of the Related Party	For the Financial Year ended March 31, 2025	As a % of Revenue from Operations for Fiscal 2025 (%)	For the Financial Year ended March 31, 2024	As a % of Revenue from Operations for Fiscal 2024 (%)	For the Financial Year ended March 31, 2023	As a % of Revenue from Operations for Fiscal 2023 (%)
Rajiv Maddisetty		10.92	0.04%	9.47	0.04%	9.05	0.18%
P. Rajavendhan		6.20	0.03%	-	-	-	-
Meghana M P		0.96	0.00%	-	-	-	-
Total		69.88	0.28%	44.36	0.18%	43.17	0.86%

Outstanding balances at the end of the year / period set out below in relation to transactions with related parties

(in ₹ million)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Trade receivables			
Lanarsy Infra Limited	14.79	17.40	-
Total	14.79	17.40	-
Trade payables			
Pace Power Systems	35.55	-	-
Lanarsy Infra Limited	1,746.43	637.80	-
Pace Infra	1.95		
Pace Power Tanzania Limited	5.07	4.94	4.93
Total	1,789	642.74	4.93
Borrowings			
Venugopalrao Maddisetty	112.03	110.70	100.00
Maddisetty Padma	95.66	93.86	73.22
Pace Power Systems	-	99.77	100.00
Total	207.69	304.32	273.22
Other Current Assets			
Advance to supplier			
Qogno Digital Infrastructure Private Limited	121.81	121.81	99.86
Total	121.81	121.81	99.86
Advance salary			
Rajiv Maddisetty	1.00	4.83	1.04
Total	1.00	4.83	1.04
Other financial asset			
Amount receivable from related party			
Pace Power Systems	-	119.76	79.84
Total	-	119.76	79.84
Other financial liability			

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Rent payable			
Pace Power Systems	-	19.10	1.94
Total	-	19.10	1.94
Other financial liability			
Retention money			
Lanarsy Infra Limited	-	305.18	455.88
Total	-	305.18	455.88
Security deposit related to rent			
Pace Power Systems	21.26	20.96	20.96
Total	21.26	20.96	20.96
Remuneration payable to key managerial person			
Venugopalrao Maddisetty	2.62	1.50	1.50
P. Rajavendhan	0.95	-	-
Meghana M P	0.24	-	-
Maddisetty Padma	1.69	1.41	1.35
Rajiv Maddisetty	0.91	0.79	0.75
Total	6.41	3.70	3.60

For further details, see ‘Restated Consolidated Financial Information – Note 44 – Related Party Disclosures’ on page 407.

Summary of Key Performance Indicators

Set out below are some of our key financial performance indicators, based on our Restated Consolidated Financial Information, and operational performance indicators:

Sr No.	KPI	As of and for the Fiscal		
		2025	2024	2023
Financial KPI				
1.	Revenue from operations (₹ in millions)	24,387.80	24,344.89	5,031.96
2.	Growth in Revenue (%)	0.18%	383.81%	-
3.	Total income (₹ in millions)	24,622.02	24,602.66	5,146.59
4.	EBITDA (₹ in millions)	5,051.28	4,237.45	397.48
5.	Growth in EBITDA (%)	19.21%	966.08%	-
6.	EBITDA Margin (%)	20.71%	17.41%	7.90%
7.	Profit after tax (₹ in millions)	2,791.02	2,298.71	165.33
8.	Growth in PAT (%)	21.42%	1,290.38%	-
9.	EPS (in ₹)	16.30	14.63	0.95
10.	Growth in EPS %	11.39%	1,435.37%	-
11.	PAT Margin (%)	11.44%	9.44%	3.29%
12.	Growth in PAT Margin (%)	21.20%	187.38%	-
13.	Return on Equity (ROE) (%)	23.09%	40.53%	4.93%
14.	Debt To Equity Ratio (in times)	0.13	0.87	0.57
15.	Interest Coverage Ratio (in times)	4.33	3.74	2.84
16.	Return on Capital Employed (ROCE) (%)	37.89%	40.85%	6.99%
17.	Current Ratio (in times)	1.72	1.25	1.45
18.	Net Capital Turnover Ratio (in times)	2.52	6.03	2.43
19.	NAV / Book Value (in ₹)	71.24	35.97	21.22
20.	Return on Net Worth (%)	22.87%	40.67%	4.49%
Operational KPI				
21.	Telecom towers installed (in Nos.)	3,740	2,305	Nil
22.	OFC network laid (in kms)	6,619	11,827	197
23.	Telecom Power equipment (in Nos.)	4,234	6,126	7,109
24.	Lithium-Ion Battery Racks (in Nos.)	3,308	6,026	Nil

Note:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Information.
- Growth in Revenue means growth in % terms of the current year as compared to the preceding year.
- Total Income means the sum of Revenue from Operations and Other Income
- EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from continued operations and exceptional items.
- Growth in EBITDA % means growth in % terms of the current year as compared to the preceding year.
- EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Profit after Tax refers to sum of total income less total expenses after considering the tax expense
- Growth in PAT % means growth in % terms of the current year as compared to the preceding year.
- EPS is Earnings per share calculated as Profit attributable to shareholders of the company divided by the weighted average number of shares outstanding during the period.
- Growth in EPS % means growth in % terms of the current year as compared to the preceding year
- Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
- Growth in Net profit margin is calculated as growth in % terms of the current year as compared to the preceding year.
- Return on equity (RoE) is equal to profit for the year divided by the total equity and is expressed as a percentage.

- n) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
- o) The Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by interest expense.
- p) Return on Capital Employed (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as net worth and total debt less the ROU Assets, intangible assets and Net Deferred Tax (Assets).
- q) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- r) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
- s) NAV is defined as Net Asset Value and is calculated as Shareholders Net worth divided by the weighted average number of shares outstanding during the period.
- t) Return on Net Worth is calculated as Profit attributable to shareholders of the company divided by the net worth i.e., shareholders equity.
- u) Telecom towers installed (in Nos.) means the number of Telecom towers installed and commissioned during the respective period for the turnkey projects.
- v) OFC network laid (in kms) is the length of Optical Fibre Cables laid in arial or underground for the turnkey projects.
- w) Telecom Power equipment (in Nos.) is the Number of Switch Mode Power Supply Unit and Charge Control Unit manufactured
- x) Lithium-Ion Battery Racks (in Nos.) is the Number of Lithium-ion battery racks manufactured.

Financing Arrangements

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

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

The weighted average price of acquisition per Equity Share for our Promoters is:

Sr. No	Name	No. of Equity Shares held	Weighted Average Price at which the Equity Shares acquired in the last 1 year (in ₹)*
Promoters			
1.	Maddisetty Venugopal Rao	50,033,310	Nil
2.	Padma Venugopal Maddisetty	49,983,330	Nil
3.	Rajiv Maddisetty	24,991,680	Nil
4.	Lahari Maddisetty	24,991,680	Nil

*As certified by our Statutory Auditors, S S Kothari Mehta & Co. LLP, pursuant to a certificate dated September 19, 2025.

Average cost of Acquisition of shares by our Promoters

Set out below are the average cost of acquisition per Equity Share for our Promoters as on the date of this Red Herring Prospectus:

Sr. No.	Name	Number of Equity Shares acquired	Average cost of acquisition per Equity Shares (in ₹)*
Promoters			
1.	Maddisetty Venugopal Rao	50,033,310	0.02
2.	Padma Venugopal Maddisetty	49,983,330	0.02
3.	Rajiv Maddisetty	24,991,680	0.02
4.	Lahari Maddisetty	24,991,680	0.02

*As certified by our Statutory Auditors, S S Kothari Mehta & Co. LLP, pursuant to a certificate dated September 19, 2025.

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

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

Sr. No.	Name of the Shareholder	Date of Acquisition	Number of Equity Shares acquired	Face Value (in ₹)	Acquisition price per Equity Share (in ₹)*
Promoters					
1.	Maddisetty Venugopal Rao	October 16, 2024	Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 1,667,777 Equity Shares held by Maddisetty Venugopal Rao were subdivided into 8,338,885 Equity Shares.		
		February 3, 2025	41,694,425	2	Nil
2.	Padma Venugopal Maddisetty	October 16, 2024	Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 1,666,111 Equity Shares held by Padma Venugopal Maddisetty were subdivided into 8,330,555 Equity Shares.		
		February 3, 2025	41,652,775	2	Nil
3.	Rajiv Maddisetty	October 16, 2024	Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 833,056 Equity Shares held by Rajiv Maddisetty were subdivided into 4,165,280 Equity Shares.		
		February 3, 2025	20,826,400	2	Nil
4.	Lahari Maddisetty	October 16, 2024	Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 833,056 Equity Shares held by Lahari Maddisetty were subdivided into 4,165,280 Equity Shares		
		February 3, 2025	20,826,400	2	Nil
Promoter Group					
1.	Mudduluru Dheeraj Varma	October 11, 2024	238	10	10
		October 16, 2024	Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 238 Equity Shares held by Mudduluru Dheeraj Varma were subdivided into 1,190 Equity Shares.		
		February 3, 2025	5,950	2	Nil

* As certified by our Statutory Auditors, S S Kothari Mehta & Co. LLP, pursuant to a certificate dated September 19, 2025.

For further details, see 'Capital Structure' on page 105.

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

Period	Weighted Average Cost of Acquisition (in ₹)*	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest price – highest price*(in ₹)
Last 3 years	Not Applicable	Not Applicable	Not Applicable
Last 18 months	140	Not Applicable	Not Applicable
Last 1 year	140	Not Applicable	Not Applicable

Weighted average cost of acquisition is adjusted for sub-division and bonus issue of Equity Shares

* As certified by our Statutory Auditors, S S Kothari Mehta & Co. LLP, pursuant to a certificate dated September 19, 2025

Special Rights to Shareholders

There are no Shareholders and Promoters who are entitled to nominate Directors or have any other special rights including the right to nominate Director(s) on our Company's Board.

Details of pre-IPO Placement

Our Company has not undertaken any pre-IPO placement.

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

Save and except for 148,701,900 Equity Shares allotted by our Company on February 3, 2025 pursuant to a bonus issue, our Company has not issued any Equity Shares in the 1 year immediately preceding the date of this Red Herring Prospectus, for consideration other than cash. For further details, see '*Capital Structure*' on page 105.

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

Except for the sub-division of Equity Shares of face value of ₹ 10 each to ₹ 2 each authorised by our Board pursuant to the resolution at its meeting held on October 16, 2024 and by our Shareholders pursuant to the special resolution at their meeting held on October 16, 2024, our Company has not undertaken any split / consolidation of its Equity Shares in the last 1 year preceding the date of this Red Herring Prospectus.

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

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

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

Certain Conventions

All references to 'India' contained in this Red Herring Prospectus are to the Republic of India its territories and possession. All references to the 'Government', 'Indian Government', 'GoI', 'Central Government' are to the Government of India and all references to the 'State Government' are to the government of the relevant state. All references to 'US', 'USA' or 'United States' are to the United States of America, together with its territories and possessions.

Time

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

Financial Data

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

Unless stated, or, the context requires, otherwise all financial information and financial ratios in this Red Herring Prospectus is derived from our Restated Consolidated Financial Information. The Restated Consolidated Financial Information of our Company comprise the restated consolidated statement of assets and liabilities as at and for March 31, 2025, March 31, 2024, and March 31, 2023 the restated consolidated statement of profit and loss, the restated consolidated statement of cash flows and the restated consolidated statement of changes in equity for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 and the notes to restated consolidated financial information as approved by our Board and prepared in terms of the Section 26 of the Companies Act, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, each as amended. For further information, see '*Financial Information*' on page 361.

Non-GAAP Measures

Certain non-GAAP measures presented in this Red Herring Prospectus, for instance Gross Profit, Gross Profit Margin, EBITDA, EBITDA Margin, Return on Capital Employed, PAT Margin, Return on Equity and Gross Fixed Assets Turnover Ratio (**Non-GAAP Measures**) presented in this Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or US GAAP. In addition, Non-GAAP Measures are not standardised terms, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measure differently from us, limiting its usefulness as a comparative measure. Although Non-GAAP Measures is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See '*Risk Factor - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, CAGR of EBITDA, EBITDA margin, return on equity, return on capital employed, profit after tax margin, and inventory turnover ratio have been included in this Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable*' on page 76.

There are significant differences between Ind AS, U.S. GAAP and IFRS. See '*Risk Factor - Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Consolidated Financial Information prepared and presented in accordance with SEBI ICDR*

Regulations contained in this Red Herring Prospectus’ on page 82. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should, accordingly, be limited.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as stated otherwise, all figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

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

Currency and Units of Presentation

In this Red Herring Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian Rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America; and (c) ‘Singapore Dollars’ or ‘\$S’ or ‘\$’ or ‘SGD’ are to Singapore Dollars, the official currency of the Republic of Singapore.

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

Any percentage amounts, as set forth in ‘Risk Factors’, ‘Our Business’, ‘Management’s Discussion and Analysis of Financial Conditions and Results of Operations’ on pages 36, 274, and 467 and elsewhere in this Red Herring Prospectus, unless otherwise indicated, have been calculated based on our Restated Consolidated Financial Information.

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the (i) Rupees and USD; and (ii) Rupees and SGD:

(In ₹)

Currency	Exchange Rate as on		
	March 31, 2025	March 31, 2024	March 31, 2023
1 USD ⁽¹⁾	85.58	83.37	82.22
1 SGD ⁽²⁾	63.55	61.77	61.75

⁽¹⁾ Source: www.fbil.org.in

⁽²⁾ Source: www.xe.com

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

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from publicly available information as well as a report titled '*Assessment of telecom tower optical fibre EPC solar energy and rural electrification markets in India*' dated December 2024 as amended pursuant to an addendum to the report dated September 1, 2025, prepared and issued by CRISIL, appointed by us pursuant to an engagement letter dated May 3, 2024 and exclusively commissioned and paid for by us in connection with the Issue. A copy of the CRISIL Report is available on the website of our Company at <https://www.pacedigitek.com/pdf/DRHP-Documents/Industry-Report.pdf>. CRISIL was appointed by our Company and is not connected to our Company, our Directors, and our Promoters. For risks in relation to commissioned reports, see '*Risk Factor - This Red Herring Prospectus contains information from an industry report prepared by CRISIL which we have commissioned and paid for*' on page 76.

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

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. The data used in industry sources and publications may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. The data used in the industry sources and publication involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the '*Risk Factors*' on page 36. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

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

In accordance with the SEBI ICDR Regulations, the section '*Basis for Issue Price*' on page 166, includes information relating to our peer companies and industry averages. Such information has been derived from publicly available sources. Such industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base this information on estimates and assumptions that may prove to be incorrect. Accordingly, investment decision should not be made solely based on such information.

FORWARD-LOOKING STATEMENTS

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

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

For further discussion on factors that could cause actual results to differ from expectations, see ‘*Our Business*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ on pages 274 and 467 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

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

Forward-looking statements reflect current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoters, our Directors, the BRLM, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI ICDR Regulations, our Company and the BRLM will ensure that investors in India are informed of material developments from the date of this Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity Shares allotted pursuant to the Issue.

SECTION II: RISK FACTORS

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

To obtain a complete understanding of us, prospective investors should read this section in conjunction with 'Industry Overview', 'Our Business', 'Financial Indebtedness' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 183, 274, 464 and 467, respectively, as well as the financial, statistical and other information contained in this Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. For details, see 'Forward-Looking Statements' on page 35.

Unless stated or, the context requires, otherwise, our financial information has been derived from the Restated Consolidated Financial Information included in this Red Herring Prospectus. Unless otherwise indicated, industry and market data used in this section has been derived from the report titled 'Assessment of telecom tower, optical fibre EPC, solar energy and rural electrification markets in India' dated December 2024 as amended pursuant to an addendum to the report dated September 1, 2025 prepared by CRISIL which has been commissioned and paid for by our Company in connection with the Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. CRISIL was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Subsidiaries, our Key Managerial Personnel, Senior Management or the BRLM. A copy of the CRISIL Report is available on the website of our Company at <https://www.pacedigitek.com/pdf/DRHP-Documents/Industry-Report.pdf>. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

Internal Risk Factors

- 1. Our business is significantly reliant on certain key customers, and we derived 96.25%, 99.45% and 92.16% of our revenue from operations during the Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively, from our top 10 customers. Further, our business, results from operations, and financial condition are dependent on maintaining relationship with our customers. Further, our business, results from operations, and financial condition are dependent on maintaining relationship with our customers. Loss of any of these customers or loss of revenue from any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We are a telecom infrastructure solution provider with a significant focus on the telecom infrastructure industry including telecom towers and optical fibre cables, and we offer comprehensive turnkey solutions. Our Telecom Infra operations to comprise projects, products, operations & maintenance (O&M), and services and solutions. Our business can be broadly classified into 3 verticals i.e., telecom, energy and information, communications and technology (ICT) sectors.

We count leading companies in the telecom (including public and private sector companies), state owned optical fiber corporations, and state owned distribution companies, and ICT amongst our customers. While our customers may vary annually, we are significantly reliant on certain key customers. Consequently, our business and financial condition in any given financial year is significantly reliant on

our top 3, 5 and 10 customers. Our revenue from operations from our top 3, 5 and 10 customers in Fiscal 2025, Fiscal 2024 and Fiscal 2023 is set out below:

(in ₹ million)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Top 3 customers	21,697.60	88.97%	22,482.33	92.35%	3,512.47	69.80%
Top 5 customers	22,917.76	93.97%	23,404.12	96.14%	3,984.20	79.18%
Top 10 customers	23,473.90	96.25%	24,211.95	99.45%	4,637.27	92.16%

Our business, results from operations, and financial condition are significantly dependent on maintaining relationship with our customers. We have over the years built a long term relationship with a number of marquee customers. Our top 10 customers have been associated with us for an average period of 10 years. Further, our top 3, top 5 and top 10 customers in Fiscal 2025, Fiscal 2024 and Fiscal 2023 have been with the Company for an average duration as set out below:

Particulars	Customers	Average duration
Fiscal 2025	Top 3 Customer	5 years 9 months
	Top 5 Customer	4 years 2 months
	Top 10 Customer	4 years 1 months
Fiscal 2024	Top 3 Customer	5 years 1 months
	Top 5 Customer	3 years 3 months
	Top 10 Customer	4 years 6 months
Fiscal 2023	Top 3 Customer	3 years 2 months
	Top 5 Customer	2 years 5 months
	Top 10 Customer	3 years 3 months

Any failure or inability to retain all or any of our top 10 customers for any reason including, due to failure to negotiate acceptable terms, dissatisfaction with the quality or timeliness of our project execution, adverse change in the financial condition of such customers for various factors such as possible bankruptcy or liquidation or other financial hardship, merger or decline in sales from such customers, reduced or delayed customer requirements, labour strikes, geopolitical reasons and, or, other work stoppages affecting production by such customers could have a material adverse impact on our business, results of operations, financial condition and cash flows.

While there have been no instances in the last 3 financial years where we have been unable to retain the business of our key customers, we cannot assure you that we will be able to retain the business of our existing key customers or maintain the current level of business with each of our customers. Consequently, our business, results from operations, and financial condition are significantly dependent on our maintaining our relationship with our customers, and, in particular, continuing to receive projects from such customers. Failure to receive projects from our customers or our inability to do so on commercially viable terms could have an adverse impact on our revenue and, or margin and consequently our profitability. Further, we cannot assure you that we will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers, and failure to do so could adversely affect our business, financial condition and results of operations.

2. *A significant proportion of our orders are from government related entities which award the contract through a process of tender, and we derived 96.17%, 92.08% and 34.14% of our revenue from operations during the Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, from our public sector customers. Tenders, typically, are awarded to the lower bidder once all other eligibility criteria are*

met. Our performance could be adversely affected if we are not able to successfully bid for these contracts or required to lower our bid value.

Our business is substantially dependent on contracts undertaken by various government entities such as telecom companies in public sector and state owned optical fiber corporations, and state owned distribution companies (**Public Sector Customers**).

We have recently diversified our business operations to turnkey projects in telecom and information, communications and technology (ICT) verticals from public sector companies and accordingly a majority of our revenue from operations during Fiscal 2024 and Fiscal 2025 were derived from Public Sector Companies. Further, in March 2023, we were awarded an order for setting up a 4G saturation project by a public sector telecom company (4G Saturation Project). Our scope of work under the 4G Saturation Project includes supply and erection of ground based telecom towers, infrastructure as a service provider for supply, installation of infrastructure equipments and subsequent operation and maintenance for 5 years which can be extend for an additional period of 5 years, at 9,595 sites in villages in India. The value of the 4G Saturation Project is ₹ 75,682.80 million. The 4G Saturation Project was commenced during Fiscal 2024 and as per the project milestones, the majority of the work was undertaken by us during Fiscal 2024. Accordingly, pursuant to this 4G Saturation Project, our revenue from operations and profits were comparatively substantially higher as compared to Fiscal 2023.

A vast majority of contracts are awarded by Public Sector Customers through tender and are subject to stringent technical knowledge and experience requirements. We compete with various larger companies while submitting the tender for these contracts. Accordingly, our business operations are dependent on our ability to successfully bid for or acquire projects awarded by Public Sector Customers.

Set out below are the details of number of bids submitted by us, bids that were awarded to us and bids that were not awarded to us during Fiscal 2025, 2024 and 2023:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of bids submitted	20*	16	2
Number of bids awarded	2	5	1
Number of bids not awarded	4	11	1

**14 bids submitted by us during Fiscal 2025 are currently under evaluation.*

Set out below is our revenue from Public Sector Customers and non-Public Sector Customers:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Public Sector Customers	23,454.19	96.17%	22,416.31	92.08%	1,717.83	34.14%
Non-Public Sector Customers	933.62	3.83%	1,928.58	7.92%	3,314.13	65.86%
Total	24,387.80	100.00%	24,344.89	100.00%	5,031.96	100.00%

Set out below is our order book across our Public Sector Customers and our non-Public Sector Customers:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Public Sector Customers	74,636.17	97.77%	61,846.00	97.53%	90,856.00	99.27%
Non-Public Sector Customers	1700.00	2.23%	1,567.01	2.47%	670.00	0.73%
Total	76,336.17	100.00%	63,413.00	100.00%	91,526.00	100.00%

Bidding for a tender involves various activities such as detailed study on nature and scope of project, undertaking evaluation of tender norms, representation to customers on queries in relation to the tender, preparing cost estimates, arranging for security required for the tender including bank guarantees. Our inability to accurately estimate the costs may lead to a failure to generate an acceptable return on such investments and profitability. The tenders also stipulate several strict conditions and eligibility criteria which are, typically, not subject to negotiations. For instance, the terms laying out our obligations in relation to delivery and completion / deployment schedules, specifications for manufacturing and testing of products, guarantees to be furnished by us for the project, etc., are determined by the PSU customers and we are not permitted to amend such terms. The contractual terms may present risks to our business, including delay in performance of contractual obligations leading to penalties and damages, liability for defects arising after the termination of the agreement, clients' discretion to grant time extensions, which may result in project delays and/or cost overruns, and the right of the PSU Customers to terminate our contracts at any time after providing us with or without the required written notice within the specified notice period in the event of default. Further, once the eligibility criteria are met, the contract is awarded to the lowest bidder. In case we do not qualify, or our bid is not accepted, we will not be awarded the contract. We cannot assure you that any of the bids we submit would be accepted; therefore, our ability to procure business by bidding at the lowest rates is crucial for our revenues. If we have to consistently lower our bid price to be awarded these contracts, our margins, and, consequently, our profitability could be adversely affected. Further, some of the bids submitted by us for tender based contracts are hosted on the government web portals. Our technical bids on the government web portals are accessible to any competitor participating in the bid who qualifies the technical round of the bid. While there have been no instances in the last 3 financial years, where complaints have been submitted against our bids on the web portals, we cannot assure you that, complaints, including frivolous complaints, will not be filed against us and / or our bid on these government web portals and consequently, we will not be disqualified from a bidding process for contracts from PSU Customers. Such disqualification may impact our reputation and have an adverse effect on our business. Further, our business and operations may be impacted as a result of various factors including change in the governments, scaling back of government policies or initiatives or new tenders, changes in governmental or external budgetary allocation, or insufficiency of funds, which can adversely affect our business, financial condition and results of operations. Our inability to successfully bid for or acquire projects including due to factors such as our ability to identify projects on a cost-effective basis and our ability to outbid our competitors, could have an adverse effect on the growth of our business. We also cannot assure you that we will be able to achieve the strategic purpose of such projects or generate an acceptable return on such investments or successfully bid for such projects, which may adversely affect our cash flows, business, results of operations and financial conditions.

3. ***Our business operations are diversified and are significantly dependent on demand from our end-use industries / sectors, in particular telecom sector. We derived 94.22%, 95.40% and 81.92% of our revenue from operations during the Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, from the telecom sectors. Any downturn in the end-use industries / sectors could have an adverse impact on our Company's business and results of operations.***

Over the years we have transitioned from a manufacturer of equipment for the telecom industry to a multi-disciplinary solutions provider and our current offerings across our 3 business verticals i.e., telecom, energy and ICT sectors. Set out below is the bifurcation of our revenue from operations across our business verticals in in Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(in ₹ million)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Telecom	22,978.56	94.22%	23,225.21	95.40%	4,122.25	81.92%
Energy	1,363.47	5.59%	891.80	3.66%	179.27	3.56%
ICT/Others*	45.77	0.19%	227.88	0.94%	730.44	14.52%
Total	24,387.80	100.00%	24,344.89	100.00%	5,031.96	100.00%

*Others include business consultation and fibre restoration and painting.

Our revenue from operations is directly linked to the performance of the end-use industries / sectors that we cater to, and in particular, telecom industry. The performance of the companies in these end-use industries / sectors could be affected by a number of macro and micro economic conditions, and other factors including government policies and the prevailing regulatory environment. According to CRISIL, the Indian telecom industry faces challenges such as: (i) High capital investments vital for sustaining telecom services - Telecom players require substantial capital to purchase spectrum through government auctions and establish and maintain their network infrastructure. Further, the telecom industry remains susceptible to rapid technological changes, necessitating fresh investments or significant overhaul of existing networks. The industry spent Rs 1,500 billion during the 5G auction in 2022, with Reliance Jio, Bharti Airtel and Vodafone Idea accounting for Rs 800.8 billion, Rs 430.4 billion and Rs 188.0 billion, respectively. Further, Indian telecom operators have spent nearly Rs 3,000 billion since 2014 to acquire spectrum across various bands. The telecom sector has low average asset turnover ratio of 0.3 times (fiscals 2020-23), indicating high capex requirements on a sustained basis. Capex intensity is high and estimated at ~30% of total revenue in fiscal 2023 and ~25% in fiscals 2024 and 2025. Even network opex was 25-30% of revenue based on the data collated for industry players over fiscals 2021-23. Thus, the telecom industry's high capital intensity acts as a strong entry barrier for new entrants; (ii) Hurdles in establishing network coverage across India and competing with established players - India's vast landscape and rugged terrain make the process of setting up infrastructure extremely complex and expensive. Hence, new players will face several challenges in matching the coverage of established companies. A new telecom player would face many roadblocks while establishing network coverage across India. The cost per customer is higher in rural areas than urban areas due to low population density; and (iii) Economies of scale important for survival and profitability of players - Given the low average revenue per user (ARPU) compared with other similar markets, achieving economies of scale becomes essential for survival in the Indian telecom sector. The capital-intensive nature of the industry, high network deployment costs and significant investments on infrastructure development would deter a new telecom company unless it has a large customer base to justify the returns. For details, see 'Industry Overview - Key challenges and risks in the Indian telecom industry' on page 200. Any downturn in one or more of these end-use industries / sectors that we cater to, and in particular, telecom industry, could have a direct adverse impact on our results of operations and financial condition.

4. ***Our source of revenue is concentrated in in states such as Maharashtra, Karnataka, Jammu and Kashmir, Andhra Pradesh and Tamil Nadu. We have derived 46.05%, 40.62% and 0.13% of our revenue from operations during the Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, from Western region of India. Our inability to operate and grow our business in such locations may have an adverse effect on our business, financial condition, result of operation, cash flow and future business prospects.***

Our source of revenue is concentrated to certain regions in India. The table below sets out our revenues from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
West	11,229.41	46.05%	9,889.94	40.62%	6.70	0.13%
South	4,605.97	18.89%	6,145.27	25.24%	4,861.78	96.62%
North	4,348.54	17.83%	5,353.55	21.99%	11.75	0.23%
East	51.96	0.21%	126.77	0.52%	144.57	2.87%
Northeast	2,974.82	12.20%	2,720.31	11.17%	7.16	0.14%
Central	1,177.10	4.83%	109.05	0.45%	-	-
Total	24,387.80	100.00%	24,344.89	100.00%	5,031.96	100.00%

The table below sets out the geographical bifurcation of our revenues from operations from top 10 states (including union territories) of India in Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Fiscal 2025

Sr. No.	Particulars	Revenue from operations (in ₹ million)	As a % of total revenue
A.	Revenue from operations from within India		
1.	Maharashtra	11,143.35	45.69%
2.	Andhra Pradesh	2,612.80	10.71%
3.	Arunachal Pradesh	1,494.49	6.13%
4.	Gujarat	1,424.01	5.84%
5.	Jammu & Kahmir	1,332.61	5.46%
6.	Uttar Pradesh	1,088.67	4.46%
7.	Uttarakhand	1,084.23	4.45%
8.	Himachal Pradesh	671.21	2.75%
9.	Karnataka	163.10	0.67%
10.	Others*	3,329.40	13.65%
	Sub-total (A)	24,343.88	99.82%
B.	Revenue from operations from outside India		
1.	Myanmar	34.27	0.14%
2.	Africa	9.65	0.04%
	Sub-total (B)	43.92	0.18%
Total (A+B)		24,387.80	100.00%

*Comprises Nagaland, Tripura, Tamil Nadu, Andaman & Nicobar Islands (UT), Ladakh (UT), Chhattisgarh, Manipur, Telangana, Bihar, Goa, Dadra & Nagar Haveli and Daman & Diu (UT), Meghalaya, Chandigarh (UT), Haryana, Kerala and Punjab

Fiscal 2024

Sr. No.	Particulars	Revenue from operations (in ₹ million)	As a % of total revenue
A.	Revenue from operations from within India		
1.	Maharashtra	8,283.70	34.03%
2.	Andhra Pradesh	3,745.43	15.38%
3.	Arunachal Pradesh	1,774.59	7.29%
4.	Himachal Pradesh	1,746.05	7.17%
5.	Gujarat	1,652.26	6.79%
6.	Jammu & Kashmir	1,618.27	6.65%
7.	Uttarakhand	1,489.97	6.12%
8.	Nagaland	1,312.84	5.39%
9.	Tamil Nadu	1,173.60	4.82%
10.	Karnataka	797.09	3.27%
11.	Others*	1,457.24	5.99%
	Sub-total (A)	24,291.59	99.78%
B.	Revenue from operations from outside India		
1.	Myanmar	53.30	0.22%
	Sub-total (B)	53.30	0.22%
Total (A+B)		24,344.89	100.00%

*Comprises Andaman & Nicobar, Assam, Bihar, Chhattisgarh, Goa, Haryana, Jharkhand, Kerala, Punjab, Madhya Pradesh, Manipur, Odisha, Rajasthan, Telangana, Uttar Pradesh and West Bengal.

Fiscal 2023

Sr. No.	Particulars	Revenue from operations (in ₹ million)	As a % of total revenue
A.	Revenue from operations from within India		
1.	Karnataka	3,243.75	64.46%
2.	Tamil Nadu	1,123.90	22.34%
3.	Andhra Pradesh	435.47	8.65%
4.	Bihar	117.18	2.33%
5.	Telangana	51.86	1.03%
6.	Jharkhand	17.21	0.34%
7.	Orissa	11.06	0.22%
8.	Uttar Pradesh	8.11	0.16%
9.	Assam	7.16	0.14%
10.	Kerala	5.76	0.11%
11.	Others*	9.47	0.19%
	Sub-total (A)	4,977.31	98.91%
B.	Revenue from operations from outside India		
1.	Myanmar	54.65	1.09%
	Sub-total (B)	54.65	1.09%
Total		5,031.96	100.00%

*Comprises Delhi, Haryana, Gujarat, Maharashtra, Punjab and Rajasthan.

Due to a significant concentration of our revenues in West India and South India we are highly impacted by risks specific to these geographies, such as civil unrest as well as other adverse social, economic and political events in these regions, natural disasters, regional conflicts, and other unforeseen events and circumstances. If any of these risks materialise or if there is a significant downturn in these states, our results of operations and future profitability could be adversely impacted.

5. ***We are significantly reliant on a few vendors. Our expense towards procurement of raw materials during Fiscal 2025, Fiscal 2024 and Fiscal 2023 was 34.55%, 72.39% and 19.54% respectively. Any loss of vendors will have a material adverse impact on our business and our revenue.***

We procure our key raw materials such as lithium ion cells, tower structures and solar panels from vendors. Set out below is our cost of raw materials consumed in Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(in ₹ million)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	As a % of total expense	Amount (in ₹ million)	As a % of total expense	Amount (in ₹ million)	As a % of total expense
Cost of materials consumed*	7,180.57	34.55%	15,589.50	72.39%	962.48	19.54%

*Excludes inter-company transactions between by our Company and Lineage which have been eliminated due to consolidation ₹ 4,632.14 million, ₹ 7,242.64 million and ₹ 6.10 million during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

We are significantly reliant on a few key vendors for our raw materials and in Fiscals 2025, 2024 and 2023 we sourced our raw materials from 172, 189 and 114 vendors, respectively. Set out below is our cost of raw materials consumed from our top 3 vendors, top 5 vendors and top 10 vendors in Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(in ₹ million)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed
Top 3 vendors	1,578.80	21.99%	4503.00	28.88%	572.55	59.49%
Top 5 vendors	2,127.40	29.63%	5,856.47	37.57%	690.00	71.69%
Top 10 vendors	2,850.62	39.70%	8,324.07	53.40%	814.41	84.62%

We typically do not enter into long term contracts with the vendors of our raw materials and rely on purchase orders pursuant to which deliveries of raw materials are sought up to 1 year. Any disruption of supply of raw materials, in particular, from such vendors could adversely impact our business, results of operations and financial condition, if we are unable to replace such vendor(s) in a timely manner. Although there have not been any instances in the last 3 financial years, where we have faced a shortage of raw materials, we cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins and adversely affect our results of operations.

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

6. Revenue from projects constituted 97.43%, 93.04% and 31.56%, of our revenue from operations during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Failure to maintain and augment our revenue therefrom could materially adversely affect our business and financial condition.

While our Company's primary business verticals are (i) Products; (ii) Projects; and (iii) Services, our revenue from Projects constitutes a majority of our revenue from operations. We undertake turnkey projects in (a) Telecom - Tower and OFC; (b) Transmission, distribution and system integration; (c) ICT, specifically, surveillance and education; (iv) Solarization of telecom towers; and (v) Solar panel installation. Set out below is a break-up of our revenue from our primary business verticals for Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Particulars	2025		Fiscal 2024		Fiscal 2023	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Products*	294.64	1.21%	866.03	3.56%	1,241.28	24.67%
Projects	23,762.18	97.43%	22,649.86	93.04%	1,588.30	31.56%
Services**	330.85	1.36%	814.34	3.35%	2,195.77	43.64%
Scrap	0.13	0.00%	14.66	0.06%	6.61	0.13%
Total	24,387.80	100.00%	24,344.89	100.00%	5,031.96	100.00%

*Excludes inter-company transactions between by our Company and Lineage which have been eliminated due to consolidation aggregating ₹ 4,632.14 million, ₹ 7,242.64 million and ₹ 6.10 million during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Also see, 'Management's Discussion and Analysis of Financial Condition and Results of Operations -Fiscal 2024 compared to Fiscal 2023 - Reasons for substantial increase in revenue from operations, expenses and profits in Fiscal 2024 as compared to Fiscal 2023' on page 474.

**Excludes inter-company transactions between our Company and Lineage which have been eliminated due to consolidation aggregating ₹ nil, ₹ 104.70 million and ₹ 125.39 million during, Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

Our continued success will depend to a large extent on our ability to maintain and augment our revenues from turnkey Projects undertaken by us. If we are unable to maintain and augment our revenues from turnkey Projects, our business and financial condition could be materially adversely affected.

7. ***Our business operations have grown substantially in recent period, particularly in Fiscal 2024. Our revenue from telecom vertical was 94.22%, 95.40% and 81.92% during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. We may not be able to sustain our rate of growth in the future.***

Our business operations have grown substantially in recent period, particularly in Fiscal 2024. Set out below is the bifurcation of our revenue from operations across our business verticals in Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Telecom	22,978.56	94.22%	23,225.21	95.40%	4,122.25	81.92%
Energy	1,363.47	5.59%	891.80	3.66%	179.27	3.56%
ICT/Others*	45.77	0.19%	227.88	0.94%	730.44	14.52%
Total	24,387.80	100.00%	24,344.89	100.00%	5,031.96	100.00%

*Others include business consultation and fibre restoration and painting.

In March 2023, we were awarded an order for setting up a 4G saturation project by a public sector telecom company (**4G Saturation Project**). Our scope of work under the 4G Saturation Project includes supply and erection of ground based telecom towers, infrastructure as a service provider for supply, installation of infrastructure equipments and subsequent operation and maintenance for 5 years which can be extend for an additional period of 5 years, at 9,595 sites in villages in India. The value of the 4G Saturation Project is ₹ 75,682.80 million. The 4G Saturation Project was commenced during Fiscal 2024 and as per the project milestones, the majority of the work was undertaken by us during Fiscal 2024. Accordingly, pursuant to this 4G Saturation Project, our revenue from operations and profits were comparatively substantially higher as compared to Fiscal 2023.

Achieving future success and continued growth is contingent upon our ability to bid for and win projects on acceptable terms including projects of substantial value and our ability to execute these projects in a cost-effective manner, continually expanding our business operations including our product offerings and services and effectively implementing our business strategies. We may not be able to sustain historical growth rates for various reasons beyond our control which may adversely affect our business, results of operations, financial condition and cash flows.

8. ***We commenced our operations as an electrical equipment product manufacturer for telecom infrastructure industry, and over the years we have expanded our operations in the telecom infrastructure industry to comprise products, projects, O&M, and services and solutions.***

We commenced our operations as an electrical equipment product manufacturer for telecom infrastructure industry and over the years we have expanded our operations in the telecom infrastructure industry to comprise products, projects, O&M, and services and solutions. With the acquisition of the business of GE Power Electronics India and rights over the 'Lineage Power' brand in Fiscal 2014, we commenced 'end to end' manufacturing of direct current systems. From Fiscal 2023, we have backward integrated our supply of Telecom Infra products through our Subsidiary, Lineage for the projects that we undertake. We have also been undertaking projects for solarization of telecom towers (which comprises supply of solar modules and along with lithium ion batteries and the related equipment to telecom towers,

installation, commissioning and O&M) since Fiscal 2013. Our continued success will depend, in large part, on our ability to effectively implement our business and growth strategies including (i) we, through Lineage, have recently commenced manufacturing battery energy storage system (BESS) and undertake projects and intend to grow these operations. Towards this strategy, we intend to invest up to ₹ 6,300.00 million from the Net Proceeds towards investment in our Subsidiary, Pace Renewable Energies Private Limited, for setting up BESS for a project awarded by the Maharashtra State Electricity Distribution Company Limited; and (ii) Deepen our existing products and services offerings and expand our geographical reach. For details, see 'Our Business - Strategies' on page 285. We cannot assure you that we will be able to execute our strategies in a timely manner or within budget estimates or that we will meet the expectations of our clients and other stakeholders. We believe that our business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, our business and growth strategies may require us to raise further funds. Any inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations. Further, our business is to a large extent driven by our internal systems and control mechanism. Therefore, our continued growth is intrinsically linked to our being able to maintain adequate internal systems, processes and controls and, in order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. Our failure to maintain such systems or to implement, upgrade or improve our systems could stymie our growth.

While there have been no such instances of failure to implement our strategies in a timely manner or within budget estimates during Fiscal 2025, Fiscal 2024 and Fiscal 2023, we cannot assure you that we will be able to successfully implement our strategies, continue to grow at the rate at which we have grown since Fiscal 2022, or that we will be able to generate revenue from all or any of the proposed strategies that we plan to implement. Our inability to maintain our growth or failure to successfully implement our growth strategies within time and cost expectations could have an adverse impact on the results of our operations, our financial condition and our business prospects.

9. *Failure to meet quality standards required by our customers may lead to cancellation of existing and future orders and expose us inter alia to warranty claims, including monetary liability. Our Company has incurred warranty charges amounting to ₹ 380.70 million, ₹ 273.23 million and Nil for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.*

Our products offerings are subject to stringent quality standards and specifications. Further, we have received a number of quality assurance certifications and accreditations which have certified that our solutions offerings are in compliance with globally accepted practices and quality standards. For instance, our manufacturing facilities are accredited with 14001:2015 (Environmental Management Systems), ISO 27001:2022 (Information Security Management System), ISO 20000:2018 (Service Management Systems), ISO 9001:2015 (Quality Management Systems). Additionally, we have obtained CMMi Level 3 certification. If we are unable to renew these accreditations, our brand and reputation could be adversely affected. Any significant damage to our reputation and, or, brand caused by being denied such accreditations and certifications could have a material adverse effect on our ability to attract new and repeat customers and, as a result, adversely affect our business, results of operations, financial condition and cash flows.

We have cultivated and nurtured our relationship with our customers by consistently maintaining the standards of our products and solutions. Any failure on our part to maintain the requisite standards may lead to loss of reputation and goodwill of our Company, cancellation of orders and even lead to loss of customers. Failure to meet quality and standards of our products and services can have serious consequences including rejection by and loss of customer confidence which could have adverse effect on our reputation, business and our financial condition. While there have been no such instances during the last 3 Fiscals, we cannot assure you that such instances will not occur in the future. In addition to being liable for failure to meet the specifications prescribed by our customers, we may lead to warranty claims and monetary liability to our customers. Set out below are details of our warranty charges based on provisions made in our financial statements:

(in ₹ million)			
Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Warranty charges	380.70	273.23	-

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

10. ***We have incurred negative net cash from investing activities during Fiscal 2024, Fiscal 2023, and, operating activities for Fiscal 2025 and Fiscal 2023 in the past. Long term negative net cash in investing activities and operating activities in the future could have an adverse impact on our growth prospects.***

We have incurred negative net cash from investing activities and operating activities. Set out in the table below is certain information concerning our cash flows for Fiscal 2025, Fiscal 2024 and Fiscal 2023.

(in ₹ million)

Particulars	For year ended March 31, 2025	For year ended March 31, 2024	For year ended March 31, 2023
Net cash (used in) / generated from operating activities (A)	(1,758.86)	2,141.24	(437.81)
Net cash (used in) / generated from investing activities (B)	2,438.10	(3,177.77)	(547.61)
Net cash (used in) / generated from financing activities (C)	(853.18)	1,891.35	472.12
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(173.94)	854.81	(513.30)

For further details, see 'Management's Discussion and Analysis of Financial Condition and Results of Operations - Cash Flows' on page 478. We cannot assure you that such negative net cashflows will not be incurred by our Company in the future. Any such negative net cashflow in future, could adversely impact our operations, financial condition and the trading price of the Equity Shares.

11. ***We have a high working capital requirement. Our net working capital requirement constituted ₹ 9,692.74 million, ₹ 4,037.05 million and ₹ 2,071.84 million, for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. If we are unable to raise sufficient working capital, our operations will be adversely affected.***

Our business is highly working capital intensive and requires a significant amount of working capital to finance our operations and our inability to meet our working capital requirements may adversely affect our cash flow cycle. Our business requires a significant amount of working capital for our operations before payment is received from our customers more particularly due to the long execution period of the projects undertaken by us for our customers. Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses.

Our net working capital requirements, working capital days and debtor days as on March 31, 2025, March 31, 2024 and March 31, 2023 were as follows:

Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Net Working capital requirement* (in ₹ million)	9,692.74	4,037.05	2,071.84
Working capital days**	145	61	150
Debtor days***	218	110	265

* Net working capital requirement = Current Asset less Current Liabilities

** Working Capital Days are calculated by Net working capital requirement / Revenue from operations *365 days.

*** Debtor days are calculated by Average Trade Receivables / Revenue from operations *365 days.

The increase in our working capital requirement in Fiscal 2024 and Fiscal 2025, as compared to Fiscal 2023, was primarily due to an order for setting up a 4G saturation project being awarded to us by a public sector telecom company in March 2023 (**4G Saturation Project**). Our scope of work under the 4G Saturation Project includes supply and erection of ground based telecom towers, infrastructure as a service provider for supply, installation of infrastructure equipments and subsequent operation and maintenance for 5 years which can be extend for an additional period of 5 years, at 9,595 sites in villages in India. The value of the 4G Saturation Project is ₹ 75,682.80 million. The 4G Saturation Project was

commenced during Fiscal 2024 and as per the project milestones, the majority of the work was undertaken by us during Fiscal 2024. Accordingly, our working capital requirement in Fiscal 2024 and Fiscal 2025 were higher compared to Fiscal 2023. Our working capital days in Fiscal 2024 were lower as compared to Fiscal 2023 as the 4G Saturation Project did not involve a substantial amount of payment being retained by the clients in terms of work undertaken, which was for the clients serviced by us during Fiscal 2023.

Continued increase in our working capital requirements may have an adverse effect on our financial condition and results of operations. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. If we under-budget our working capital requirements, it may lead to delays in arranging additional working capital requirements, delays in meeting customer timelines which could lead to a loss of reputation, and have an adverse affect our reputation, business, and our financial condition.

12. *Delays in payments from our customers exposes us to credit risk and it may have an adversely impact our results of operations and cash flows. Our trade receivables were 75.58%, 44.22% and 78.36%, of our total revenue from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.*

We are exposed to counterparty credit risk in the usual course of our business dealings with our customers, or other counterparties who may delay or fail to make payments or perform their other contractual obligations. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults or delays in making its payments, it could have a material adverse effect on our Company's results of operations and financial condition. Set out in the table below are our revenue from operations, trade receivables as on March 31, 2025, March 31, 2024 and March 31, 2023:

Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Revenue from Operations (in ₹ million) (A)	24,387.80	24,344.89	5,031.96
Trade receivables (in ₹ million) (B)	18,431.18	10,764.41	3,943.05
Trade receivables as a % of revenue from operations (C = B/A)	75.58%	44.22%	78.36%
Trade receivables days*	218	110	265

*Trade receivable days are calculated on average trade receivables.

The increase in our revenue from operations, net profit and trade receivables in Fiscal 2024 as compared to Fiscal 2023, was primarily due to an order for setting up a 4G saturation project being awarded to us by a public sector telecom company in March 2023 (**4G Saturation Project**). Our scope of work under the 4G Saturation Project includes supply and erection of ground based telecom towers, infrastructure as a service provider for supply, installation of infrastructure equipments and subsequent operation and maintenance for 5 years which can be extend for an additional period of 5 years, at 9,595 sites in villages in India. The value of the 4G Saturation Project is ₹ 75,682.80 million. The 4G Saturation Project was commenced during Fiscal 2024 and as per the project milestones, the majority of the work was undertaken by us during Fiscal 2024.

Set out below is the ageing schedule of our trade receivables for financial year ended March 31, 2025, March 31, 2024 and March 31, 2023:

Fiscal 2025

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables-considered goods	7,220.97	4,487.00	3,546.63	2,077.66	1,149.02	67.32	21.88	18,570.48
Undisputed trade receivables – which have significant	-	-	-	-	-	-	-	-

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
increase in credit risk								
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	31.48	19.70	150.99	202.17
Total	7,220.97	4,487.00	3,546.63	2,077.66	1,180.50	87.02	172.87	18,772.65
Less: credit impaired	-	-	-	-	-	-	-	(341.47)
Total	7,220.97	4,487.00	3,546.63	2,077.66	1,180.50	87.02	172.87	18,431.18

Fiscal 2024

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables-considered goods	3,291.54	5,463.88	1,252.84	583.45	184.29	112.79	86.41	10,975.20
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	154.80	154.80
Total	3,291.54	5,463.88	1,252.84	583.45	184.29	112.79	241.21	11,130.00
Less: credit impaired	-	-	-	-	-	-	-	(365.59)
Total	3,291.54	5,463.88	1,252.84	583.45	184.29	112.79	241.21	10,764.41

Fiscal 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables-considered goods	806.70	2,478.14	380.49	144.16	140.60	68.60	69.58	4,088.27
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	121.89	121.89
Total	806.70	2,478.14	380.49	144.16	140.60	68.60	191.47	4,210.16
Less: credit impaired	-	-	-	-	-	-	-	(267.11)
Total	806.70	2,478.14	380.49	144.16	140.60	68.60	191.47	3,943.05

We cannot assure you of the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations. Failure on the part of our customers to pay our dues in a timely manner or at all, including as a consequence of their financial difficulties, deterioration in their business performance, or a downturn in the global economy, could adversely affect our business and financial condition. During Fiscal 2025, Fiscal 2024 and Fiscal 2023, our bad debts written off amounted to ₹ 67.61 million, ₹ 74.94 million and nil, respectively. We cannot assure you that we will be able to accurately assess the creditworthiness of our customers in the future. If our customers delay or default in making payments in the future, our results of operations and cash flows may be adversely affected.

13. ***During Fiscal 2025 and Fiscal 2024, Fiscal 2023, our capacity utilisation for (i) passive equipment was 38.69%, 55.98% and 64.96%; and (ii) battery was 15.32%, 27.91% and Nil, respectively. Under-utilization of our currently operational production lines at our Manufacturing Facilities, set up through Lineage, and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects, and future financial performance.***

Our ability to maintain our profitability depends on our ability to optimise our process of production. In particular, the level of our capacity utilization can impact our operating results. If we face disruptions at our Manufacturing Facilities, set up through Lineage, including as a result of labour unrest, unexpected events or temporary schedule maintenance or inability to procure sufficient raw materials could result in operational inefficiencies which could impact our actual production and capacity utilisation and eventually our sales. Such disruption would have a material effect on our business and financial condition. For further details in relation to capacity utilisation, see section 'Our Business' on page 274. The success of any capacity expansion and expected return on investment on capital expenditure is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs. Under-utilisation of our existing capacity would result in lower revenues, which could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance. Set out below are the installed capacity and actual production details of our Manufacturing Facility as on March 31, 2025, March 31, 2024 and March 31, 2023:

Particulars as on and for the Fiscal	Capacity details	Manufacturing Facility (Passive equipment)*
March 31, 2025	Installed capacity (in Nos.)	10,944.00
	Actual production (in Nos.)	4,234.00
	Capacity utilisation (%)	38.69%
March 31, 2024	Installed capacity (in Nos.)	10,944.00
	Actual production (in Nos.)	6,126.00
	Capacity utilisation (%)	55.98%
March 31, 2023	Installed capacity (in Nos.)	10,944.00
	Actual production (in Nos.)	7,109.00
	Capacity utilisation (%)	64.96%

* Manufacturing capacity towards assembling of transformers, cabinets, resisters, electronic capacitors, diodes & other electronic components, and cables.

Particulars as on and for the Fiscal	Capacity details	Manufacturing Facility (Battery)
March 31, 2025	Installed capacity (in Nos.)	21,590.00
	Actual production (in Nos.)	3,308.00
	Capacity utilisation (%)	15.32%
March 31, 2024*	Installed capacity (in Nos.)	21,590.00
	Actual production (in Nos.)	6,026.00
	Capacity utilisation (%)	27.91%
March 31, 2023	Installed capacity (in Nos.)	Nil
	Actual production (in Nos.)	Nil
	Capacity utilisation (%)	Nil

*We commenced manufacturing lithium ion battery systems from August 2023.

The installed capacity has been calculated on the basis of the operations of our Manufacturing Facilities on 3 shifts per day. However, the actual production (%) has been calculated on the basis of operations of up to 2 shifts per day. The reason for low capacity utilization primarily is due to the manufacturing of Passive Infra equipments (assembling of transformers, cabinets, resisters, electronic capacitors, diodes & other electronic components, and cables) and batteries for which the capacity details have been disclosed are not recurring in nature and the manufacturing for these products is carried out based on actual orders received from customers taking into account the delivery schedule. Underutilization of our manufacturing capacity over extended periods, or significant under-utilization in the short term, could adversely impact our business, growth prospects and future financial performance.

14. ***The financial statements of 3 of our Group Companies for certain period are not available. Accordingly, in the absence of the select financial information of some of our Group Companies including for certain financial period, prospective investors must rely on their own examination of our Group Companies in making an investment decision.***

In accordance with the SEBI ICDR Regulations, our Company is required to host select financial information of our Group Companies based on the audited statements of such Group Companies on our Company's website and disclose the details of the website wherein such select financial statements are available. One of our Group Company, Qogno Digital Infrastructure Private Limited, has not audited its financial statements for Fiscal 2023 and has not prepared, and audited, its financial statements for Fiscal 2024 and 2025. Accordingly, select financial information of Qogno Digital Infrastructure Private Limited for Fiscal 2023 has been disclosed on the website of our Company based on unaudited financial statements of Qogno Digital Infrastructure Private Limited for Fiscal 2023 and select financial statements of Qogno Digital Infrastructure Private Limited have not been disclosed on the website of our Company. Further, our Group Companies, Pace Power Tanzania Limited has been dormant and accordingly the select financial information of Pace Power Tanzania Limited for the years 2024, 2023 and 2022 have not

been disclosed on our website. Further, our Group Company, Pace Power Africa Limited was dormant during the financial years 2024, 2023 and 2022 and has not yet prepared, and audited, its financial statements for the financial year 2025.

Set out below are the related party transactions of our Company with our Group Companies during Fiscal 2025, 2024 and Fiscal 2023:

(in ₹ million)

Particulars	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
Sale of products/Services			
Lanarsy Infra Limited	17.04	14.74	-
Total	17.04	14.74	-
Rental income			
Qogno Digital Infrastructure Private Limited	-	-	0.25
Total	-	-	0.25
Engineering, procurement and construction project expenses			
Lanarsy Infra Limited	1,355.84	958.83	-
Qogno Digital Infrastructure Private Limited	-	-	32.06
Total	1,355.84	958.83	32.06
Other expenses			
Qogno Digital Infrastructure Private Limited	-	-	1.52
Pace Power Africa Limited	9.08	-	-
Total	9.08	-	1.52
Reimbursement of LC & BG Charges			
Lanarsy Infra Limited	11.96	-	-
Total	11.96	-	-

The unaudited financial information of Qogno Digital Infrastructure Private Limited will not have any impact on the Company and the details of the related party transactions have been included based on the Restated Consolidated Financial Information, which has been audited. Accordingly, in the absence of the select financial information of some of our Group Companies including for certain financial period, prospective investors must rely on their own examination of our Group Companies in making an investment decision.

15. ***Except for a techno economic viability report issued by Dun & Bradstreet for the MSEDCL BESS Project, the objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates.***

Our funding requirements and proposed deployment of Net Proceeds as set out in the section ‘Objects of the Issue’ on page 142 are based on management estimates and, except for a techno economic viability report issued by Dun & Bradstreet dated June 17, 2025 for the MSEDCL BESS Project, have not been appraised by any bank or financial institution. While, we have obtained a project report dated February 26, 2024 from Vriddhim Business Advisory LLP, for the MSEDCL Project, our funding requirements are based on our current business plan and may vary based on various factors including macro-economic and other changes. In view of the dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and, consequently, the funding requirement and the utilization of proceeds from the Issue may also change. This may also include rescheduling the proposed utilization of the Issue Proceeds at the discretion of our management, subject to Applicable Law and requisite approvals required, if any. We may make necessary changes to utilisation of the Issue Proceeds in compliance with the provisions of the Companies Act. In the event of any variation in actual utilization of the Issue Proceeds, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and, or, from our internal accruals. Further, any such revision in the

estimates may require us to revise our projected expenditure which may have a bearing on our profitability.

16. ***Our employee benefit expense is one of the larger components of our fixed operating costs. Our employee benefits expenses during Fiscal 2025, Fiscal 2024 and Fiscal 2023 were ₹ 667.13 million, ₹ 531.85 million and ₹ 750.26 million, respectively. An increase in employee benefit expense could reduce our profitability. Further, our employee attrition ratio was 15.59%, 69.80% and 24.08%, for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. If we are unable to retain and recruit qualified and proficient employees our business and financial condition could be adversely affected.***

Our pool of employees consists of employees including our top management, sales and marketing, human resources and administration, projects team and administration, and finance and accounts. As of July 31, 2025, we had 1,513 permanent employees. The total number of permanent employees engaged by us and our employee benefits expense were as follows:

Particulars	As on and for financial year ended March 31, 2025	As on and for financial year ended March 31, 2024	As on and for financial year ended March 31, 2023
Permanent employees	1,345	903	2,380
Employee benefit expenses (₹ million)	667.13	531.85	750.26
Total expenses (₹ million)	20,782.73	21,535.20	4,925.28
Employee benefit expenses as a % of total expenses	3.21%	2.47%	15.23%
Employee benefit expenses as a % of total income	2.71%	2.16%	14.58%

For reasons for change employee benefit expenses between Fiscal 2025 and Fiscal 2024, and Fiscal 2024 and Fiscal 2023, see 'Management's Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2025 compared to Fiscal 2024' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations - Fiscal 2024 compared to Fiscal 2023' on pages 474 and 476, respectively.

Due to economic growth in the past and the increase in competition for skilled and semi-skilled employees in India, wages in India have, in recent years been increasing at a fast rate. Our Company may need to increase our compensation levels to remain competitive in attracting and retaining the quality and number of skilled and semi-skilled employees that our business requires. Further, a shortage in the employee pool or general inflationary pressures will also increase our costs towards employee benefits. A significant long-term increase in our employee benefit expense could reduce our profitability, which could, amongst others, impact our growth prospects. Further, our Company's average attrition rate of employees during last 3 Fiscals is set out below:

Particulars	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
No of employee's left during the year (A)	241	2,029	740
No of employees at the beginning of the year / + No of employees joined during the year (B)	1,546	2,907	3,073
Employee attrition ratio (A/B) (%)	15.59%	69.80%	24.08%

Employee Attrition ratio = (No of employee's left during the year) divided by (No of employees at the beginning of the year + No of employees joined during the year)

For reasons for change in our number of employees between Fiscal 2025 and Fiscal 2024, and Fiscal 2024 and Fiscal 2023, see 'Management's Discussion and Analysis of Financial Condition and Results of Operations - Fiscal 2025 compared to Fiscal 2024' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations - Fiscal 2024 compared to Fiscal 2023' on pages 474 and 476, respectively.

Due to change our strategy to focus on erection of projects from focus on O&M (which requires extensive manpower) which led to reduction in the volume of services or O&M contracts, our number of employees decreased as set out in the table above. Due to this our employee attrition ratio was high during Fiscal 2024 as compared to Fiscal 2023 and Fiscal 2025.

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

17. *There have been instances of inadvertent delays in payments of statutory dues/liabilities, such as contribution towards provident fund and ESIC, tax deduction at sources on salaries and other than salaries, and GST, by our Company. Any delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.*

We are subject to ongoing reporting and compliance requirements and are required to make payments of periodic statutory dues, which we may not be able to undertake at all times. Details of statutory dues paid by our Company in relation to our employees for Fiscals 2025, 2024 and 2023 are as provided below:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Provident Fund (₹ million)	50.74	42.01	86.64
ESIC (₹ million)	3.53	2.97	11.41
Number of employees for whom provident fund has been paid	1,340	896	2,366
Number of employees for whom provident fund is not applicable	Nil	Nil	Nil
Tax Deducted at Source on salaries (TDS) (₹ million)	56.45	28.84	28.90
Tax Deducted at Source on other than salaries (₹ million)	296.59	217.16	47.61
Number of employees for whom TDS has been paid	120	86	67
GST (₹ million) (including IGST, CGST & SGST)	4,418.21	5,265.74	784.65

There have been no instances of non-payment, delay in the payment of statutory dues/liabilities in Fiscals 2025, 2024 and 2023, except as follows:

Particulars	Fiscal 2025			Fiscal 2024			Fiscal 2023		
	Number of instances	Range of days of delay	Amount involved (in ₹ million)	Number of instances	Range of days of delay	Amount involved (in ₹ million)	Number of instances	Range of days of delay	Amount involved (in ₹ million)
Provident Fund (₹ million)	2	1 day	0.22	3	1 day	0.04	4	66 – 127 days	0.53
ESIC (₹ million)	2	1 day	0.12	2	1 - 3 days	0.43	-	-	-
Tax Deducted at Source on salaries (TDS) (₹ million)	1	30 days	0.08	-	-	-	-	-	-
Tax Deducted at Source on other than salaries (₹ million)	10	1 - 164 days	28.78	5	23 – 61 days	25.20	4	3 - 68 days	0.19
GST (₹ million) (including IGST, CGST & SGST)	7	1 - 25 days	3.07	5	1 – 20 days	1.54	7.00	1 – 69 days	3.52

Subsequently, there have been no instances of non-payment or delay in the payment of statutory dues/liabilities.

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

18. ***Our Company had in the past failed to comply with certain provisions of Companies Act. Any adverse action in the proceedings relation to these non-compliances which, if determined against us, could have a material adverse effect on our reputation, business, finances, cash flow and results of operations.***

Our Company has in the past failed to comply with certain provisions of Companies Act, 2013 with respect to the following:

Sr. No.	Particulars	Reason for delay
1.	Appointing a company secretary in terms of Section 203 of the Companies Act read with rules thereunder. While in terms of the Companies Act, our Company was required to appoint a company secretary by December 9, 2015, our Company only appointed the Company Secretary on March 1, 2019.	Non availability of suitable candidates to join our Company because of the remote location and limited scope of work as our Company was a private limited company during the concerned period.
2.	Incurring relevant expenditure towards CSR in terms of Section 135 of the Companies Act and transferring the unspent amount to a fund specified in Schedule VII of the Companies Act for Fiscal 2021, Fiscal 2022, Fiscal 2023 and Fiscal 2024.	Due to administrative issues and limitations in terms of deploying resources.
3.	Delay in holding the Annual General Meetings for Fiscals 2021 (held with a delay of 208 days) and Fiscals 2022 (held with a delay of 30 days) in terms of Section 96 read with Section 99 of the Companies Act, 2013	Due to inadvertent delay in completing the audit of the financial statements for Fiscal 2021 and Fiscal 2022, the audited financial statements were not prepared for adoption in the Annual General Meetings for Fiscal 2021 and Fiscal 2022. Accordingly, the Annual General Meetings were delayed during Fiscal 2021 and Fiscal 2022.

Appointing a company secretary in terms of Section 203 of the Companies Act

Our Company, and one of our Promoter and Chairman and Managing Director i.e. Maddisetty Venugopal Rao have filed an adjudication application dated January 7, 2025 under Section 454 of the Companies Act 2013 before the Registrar of Companies, Bengaluru seeking levy of nominal penalty for delay of 995 days in appointment of company secretary in terms of Section 203 of Companies Act, 2013 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. While in terms of the Companies Act, our Company was required to appoint a company secretary by December 9, 2015, our Company only appointed the Company Secretary on March 1, 2019. Subsequently, the Registrar of Companies, Bengaluru has issued a show cause notice dated February 19, 2025 to our Company, Maddisetty Venugopal Rao and one of our Promoters, Padma Venugopal Madisetty, for non-compliance of Section 203 of the Companies Act, 2013 seeking show cause as to why action should not be taken including levying monetary penalty of ₹ 0.5 million each against our Company, Maddisetty Venugopal Rao and Padma Venugopal Madisetty. Our Company and Maddisetty Venugopal Rao have filed replies to the show cause notice on March 12, 2025 and have requested that name of Padma Venugopal Madisetty be removed from the show cause notice during the period of violation she was not the 'officer in default' and have also requested that the liability to be condoned with or without levy of reasonable cost or fees. Pursuant to an order dated July 22, 2025, Registrar of Companies, Bengaluru has levied a penalty of ₹ 0.50 million each on our Company and Maddisetty Venugopal Rao and Padma Venugopal Madisetty. Our Company and our Promoters i.e., Maddisetty Venugopal Rao and Padma Venugopal Madisetty have paid the penalty, and the matter has been disposed off.

Incurring relevant expenditure towards CSR in terms of Section 135 of the Companies Act and transferring the unspent amount to a fund specified in Schedule VII of the Companies Act for Fiscal 2021, Fiscal 2022, Fiscal 2023 and Fiscal 2024

Our Company, and one of our Promoter and Chairman and Managing Director i.e. Maddisetty Venugopal Rao have filed an adjudication application dated January 7, 2025 under section 454 of the Companies

Act 2013 before the Registrar of Companies, Bengaluru seeking levy of nominal penalty for delay in incurring relevant expenditure towards CSR in terms of Section 135 of the Companies Act and transferring the unspent amount to a fund specified in Schedule VII of the Companies Act, 2013 for Fiscal 2021, Fiscal 2022, Fiscal 2023 and Fiscal 2024. Subsequently, the Registrar of Companies, Bengaluru has issued a show cause notices dated February 19, 2025 to our Company, Maddisetty Venugopal Rao, for non-compliance of Section 135 of the Companies Act, 2013 seeking show cause as to why action should not be taken including levying monetary penalty of ₹ 11.32 million on our Company and ₹ 0.52 million on Maddisetty Venugopal Rao. Our Company and Maddisetty Venugopal Rao have filed replies to the show cause notices on March 12, 2025, and have requested that the liability condoned with or without levy of reasonable cost or fees. The matter is currently pending, and we may be liable to monetary penalties for the non-compliance. For details, see ‘*Outstanding Litigation and Material Developments – Litigation against our Company - Outstanding actions by statutory and/or regulatory authorities*’ on page 485. Any adverse action in the proceeding which, if determined against us, could have a material adverse effect on our reputation.

Delay in holding the Annual General Meetings for Fiscals 2021 (held with a delay of 208 days) and Fiscals 2022 (held with a delay of 30 days)

Our Company and one of our Promoter and Chairman and Managing Director i.e. Maddisetty Venugopal Rao had filed a *suo moto* application dated January 7, 2025 under Section 441 of the Companies Act 2013 before the Regional Director (South East Region), Hyderabad seeking compounding the delay in holding the Annual General Meetings for Fiscals 2021 (held with a delay of 208 days) and Fiscals 2022 (held with a delay of 30 days) in terms of Section 96 read with Section 99 of the Companies Act, 2013. Subsequently, the Regional Director (South East Region), Hyderabad has passed an order dated March 19, 2025 levying a compounding fee of ₹ 0.15 million on our Company and ₹ 0.13 million on Maddisetty Venugopal Rao, which has been paid by our Company and Maddisetty Venugopal Rao, and the compounding application has been disposed off.

While our Company has a secretarial team comprising of the Company Secretary and Compliance Officer and 2 other employees to ensure compliance with applicable law, and will also be subject to secretarial audit conducted by a secretarial auditor from this Fiscal to highlight any non-compliances there can be also no assurance that there will not be any similar proceedings or actions initiated against our Company in the future. Further, any such proceedings may divert management time and attention and may subject us to regulatory consequences (including penalty or action) which may have an adverse effect on our business, finances, cash flow and results of operations.

- 19. *Our Company has delayed filing of forms FC-GPR and has been unable to file forms FC-GPR, in relation to certain allotment of Equity Shares. Any adverse action in this regard which, if determined against us, could have a material adverse effect on our reputation, business, finances, cash flow and results of operations.***

Our Company has in the past delayed in filing Forms FC-GPR as set out below:

Sr. No.	Particulars	Reason for delay
1.	Delay in filing Form FC-GPR for 2,378 Equity Shares allotted to Saint Capital Fund and 39,500 Equity Shares allotted to Nova Global Opportunities Fund PCC on October 11, 2024.	Due to (i) delay in receipt of the debit statement from one of the allottees to be enclosed to the forward inward remittance certificate which is to be submitted along with the copy of the Form FC-GPR; and (ii) due to the valuation report which should not be older than 90 days from the date of issue of equity shares had expired and was required to be re-obtained.
2.	Delay in filing Form FC-GPR for 83,323 Equity Shares allotted to Dovetail Global Fund PCC All Seasons India Opportunities Fund on January 17, 2025	Due to a mismatch in the name of this investor in the forward inward remittance certificate

Our Company has paid a late submission fee of ₹ 22,500 to RBI in relation to FC-GPR for 2,378 Equity Shares allotted to Saint Capital Fund and 39,500 Equity Shares allotted to Nova Global Opportunities

Fund PCC on October 11, 2024, and late submission fees of ₹ 11,900 to RBI in relation to FC-GPR for 83,323 Equity Shares allotted to Dovetail Global Fund PCC All Seasons India Opportunities Fund on January 17, 2025, and while no disputes or regulatory action has arisen in connection with these filings until date, we cannot assure you that no such action will be initiated in the future.

In addition, our Company has not been able to file Form FC-GPR for 59,450 Equity Shares allotted to Saint Capital Fund and 987,500 Equity Shares allotted to Nova Global Opportunities Fund PCC on February 3, 2025. Our Company has also not been able to file Form FC-GPR for 416,615 Equity Shares allotted to Dovetail Global Fund PCC All Seasons India Opportunities Fund on February 3, 2025 due to a mismatch in the name of this investor in the forward inward remittance certificate. Our Company has written to the relevant authorised dealer bank and intermediary bank to rectify the mismatch in the name in the forward inward remittance certificate. While no disputes or regulatory action has arisen in connection with the non-filing of this Form FC-GPR, we cannot assure you that no such action will be initiated in the future.

While our Company has a secretarial team comprising of the Company Secretary and Compliance Officer and 2 other employees to ensure compliance with applicable law, and will also be subject to secretarial audit conducted by a secretarial auditor from this Fiscal to highlight any non-compliances there can be also no assurance that there will not be any similar proceedings or actions initiated against our Company in the future. Further, any such proceedings may divert management time and attention and may subject us to regulatory consequences (including penalty or action) which may have an adverse effect on our business, finances, cash flow and results of operations.

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

We intend to utilise a portion of the Net Proceeds amounting to ₹ 6,300.00 million for funding investment in our Subsidiary, Pace Renewable Energies Private Limited, for setting up battery energy storage systems (BESS) for a project awarded by the Maharashtra State Electricity Distribution Company Limited. While we have procured quotations from vendors in relation to the capital expenditure to be incurred for the MSEDCL Project for which Net Proceeds will be utilised, we have not entered into any definitive agreements with any of these vendors. For details, see 'Objects of the Issue' on page 142. Such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotation or that there will not be cost escalations. Further, the actual amount and timing of our future capital requirements may differ from our estimates due to *inter alia* unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, and technological changes. In the event of any delay in placing the orders, or an escalation in the cost, or in the event the vendor perform its obligations in a timely manner, or at all, we may encounter time and cost overruns. Further, if the vendors express their inability or if they are unable to perform their obligations, we cannot assure you that we may be able to identify alternate vendor to provide us with the materials which satisfy our requirements at acceptable prices, which could result in the increase in capital expenditure, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

21. ***We intend to utilise a portion of the Net Proceeds for funding investment in our Subsidiary, Pace Renewable Energies Private Limited which has incurred losses in the past and has had negative cash flows. Losses in future incurred by Pace Renewable Energies Private Limited could have an adverse impact on its business, growth prospects and future financial performance.***

We intend to utilise a portion of the Net Proceeds amounting to ₹ 6,300.00 million for funding investment in our Subsidiary, Pace Renewable Energies Private Limited, for setting up battery energy storage systems (BESS) for a project awarded by the Maharashtra State Electricity Distribution Company Limited. For details, see 'Objects of the Issue' on page 142. Pace Renewable Energies Private Limited has incurred losses in Fiscal 2025 as disclosed below based on its audited standalone financial statements are set out below and also has had negative cash flow from operating activities in Fiscal 2025 and Fiscal 2024:

(in ₹ million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Profit/ (loss) after tax for the year	(145.30)	114.33	43.67
Net cash flow generated / (used in) from operating activities	(35.08)	(59.95)	63.93

Losses in future incurred by Pace Renewable Energies Private Limited in the future could have an adverse impact on its business, growth prospects and future financial performance.

22. ***We operate in a competitive industry. Our major competitors are amongst listed companies including HFCL Limited, Exicom Tele-Systems Limited and Bondada Engineering Limited. Any inability to compete effectively may lead to a lower market share or reduced operating margins.***

We operate in a highly competitive environment in both in the Indian and overseas markets. Our major competitors include Bondada Engineering Limited, Delta Electronics India Private Limited, Dinesh Engineers Limited and Exicom Tele-Systems Limited. For further details, see 'Our Business - Competition' on page 305. Investors must rely on their own examination of our financial statements and performance against other entities who operate in the same industry as us, for the purposes of investment in this Issue. Some of our competitors may have certain advantages, including greater financial, technical and, or, marketing resources, which could enhance their ability to finance growth, fund future expansion, and, or, operate in more diversified geographies. As a result, to remain competitive in the market we must, in addition, continue to meet exacting quality standards, continuously strive to reduce our production and distribution costs and improve our operating efficiencies. If we fail to do so, it may have an adverse effect on our market share and results of operations. We cannot assure you that we can continue to effectively compete with such manufacturers in the future, and failure to compete effectively may have an adverse effect on our business, financial condition, and results of operations. Moreover, the competitive nature of the industry that we operate in may result in lower prices for our solutions and decreased profit margins, which may materially adversely affect our revenue and profitability. If we are unable to continuously optimise our processes, our ability to grow and, or, compete effectively, might be compromised, which would have an adverse impact on our business operations and financial condition.

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

Peers	Pace Digitek Limited			HFCL Limited			Exicom Tele-Systems Limited			Bondada Engineering Limited		
Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Financial KPI												
Revenue From operations (₹ in millions)	24,387.80	24,344.89	5,031.96	40,645.20	44,650.50	47,433.10	8,676.06	10,195.98	7,079.31	15,713.77	8,007.22	3,705.89
Growth in Revenue (%)	0.18%	383.81%	-	(8.97%)	(5.87%)	-	(14.91%)	44.03%	-	96.24%	116.07%	-
Total income (₹ in millions)	24,622.02	24,602.66	5,146.59	41,226.40	45,665.70	47,904.00	8,988.00	10,385.01	7,233.99	15,797.51	8,037.21	3,710.09
EBITDA (₹ in millions)	5,051.28	4,237.45	397.48	5,071.10	6,830.60	6,657.70	(61.71)	1,309.87	677.78	1,833.16	714.75	302.14
Growth in EBITDA (%)	19.21%	966.08%	-	(25.76%)	2.60%	-	(104.71%)	93.26%	-	156.47%	136.57%	-
EBITDA Margin (%)	20.71%	17.41%	7.90%	12.48%	15.30%	14.04%	(0.71%)	12.85%	9.57%	11.67%	8.93%	8.15%
Profit after tax (₹ in millions)	2,791.02	2,298.71	165.33	1,732.60	3,375.20	3,177.10	(1,100.32)	639.16	326.74	1,153.68	463.06	171.34
Growth in PAT (%)	21.42%	1290.38%	-	(48.67%)	6.24%	-	(272.15%)	95.62%	-	149.14%	170.26%	-
EPS (in ₹)	16.30	14.63	0.95	1.23	2.33	2.18	(9.11)	6.70	3.55	10.33	4.63	1.73
Growth in EPS (%)	11.39%	1435.37%	-	(47.24%)	6.80%	-	(235.95%)	88.53%	-	123.11%	167.18%	-
PAT Margin (%)	11.44%	9.44%	3.29%	4.26%	7.56%	6.70%	(12.68%)	6.27%	4.62%	7.34%	5.78%	4.62%
Growth in PAT Margin (%)	21.20%	187.38%	-	(43.61%)	12.86%	-	(302.31%)	35.82%	-	26.95%	25.08%	-
Return on Equity (ROE) (%)	23.09%	40.53%	4.93%	4.21%	8.44%	10.10%	(17.93%)	8.86%	14.08%	24.19%	27.58%	20.79%
Debt To Equity Ratio (in times)	0.13	0.87	0.57	0.33	0.24	0.24	0.74	0.04	0.51	0.38	0.37	1.02
Interest Coverage Ratio (in times)	4.33	3.74	2.84	2.17	4.08	3.83	(1.44)	5.85	2.70	7.23	7.96	5.08

Peers	Pace Digitek Limited			HFCL Limited			Exicom Tele-Systems Limited			Bondada Engineering Limited		
Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Return on Capital Employed (ROCE) (%)	37.89%	40.85%	6.99%	8.16%	13.12%	15.91%	(9.61%)	15.76%	17.45%	27.35%	30.75%	17.19%
Current Ratio (in times)	1.72	1.25	1.45	1.86	2.08	1.91	1.74	3.32	1.56	1.46	1.42	1.40
Net Capital Turnover Ratio (in times)	2.52	6.03	2.43	1.64	1.90	2.45	2.11	1.68	3.45	5.01	6.01	5.67
NAV / Book Value (in ₹)	71.24	35.97	21.22	28.28	27.95	22.53	64.35	75.65	25.24	41.24	16.80	8.11
Return on Net Worth (%)	22.87%	40.67%	4.49%	4.35%	8.34%	9.69%	(17.93%)	8.86%	14.08%	25.05%	27.55%	21.36%
Operational KPI												
Telecom towers installed (in Nos.)	3,740	2,305	Nil	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
OFC network laid (in kms)	6,619	11,827	197	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
Telecom Power equipment (in Nos.)	4,234	6,126	7,109	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
Lithium-Ion Battery Racks (in Nos.)	3,308	6,026	Nil	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available

Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Information.
- Growth in Revenue means growth in % terms of the current year as compared to the preceding year.
- Total Income means the sum of Revenue from Operations and Other Income
- EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from continued operations and exceptional items.
- Growth in EBITDA % means growth in % terms of the current year as compared to the preceding year.
- EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Profit after Tax refers to sum of total income less total expenses after considering the tax expense
- Growth in PAT % means growth in % terms of the current year as compared to the preceding year.
- EPS is Earnings per share calculated as Profit attributable to shareholders of the company divided by the weighted average number of shares outstanding during the period.
- Growth in EPS % means growth in % terms of the current year as compared to the preceding year.

- k) *Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.*
- l) *Growth in Net profit margin is calculated as growth in % terms of the current year as compared to the preceding year.*
- m) *Return on equity (RoE) is equal to profit for the year divided by the total equity and is expressed as a percentage.*
- n) *Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).*
- o) *The Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by interest expense.*
- p) *Return on Capital Employed (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as net worth and total debt less the ROU Assets, intangible assets and Net Deferred Tax (Assets).*
- q) *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*
- r) *Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).*
- s) *NAV is defined as Net Asset Value and is calculated as Shareholders Net worth divided by the weighted average number of shares outstanding during the period.*
- t) *Return on Net Worth is calculated as Profit attributable to shareholders of the company divided by the net worth i.e., shareholders equity.*
- u) *Telecom towers installed (in Nos.) means the number of Telecom towers installed and commissioned during the respective period for the turnkey projects.*
- v) *OFC network laid (in kms) is the length of Optical Fibre Cables laid in arial or underground for the turnkey projects.*
- w) *Telecom Power equipment (in Nos.) is the Number of Switch Mode Power Supply Unit and Charge Control Unit manufactured*
- x) *Lithium-Ion Battery Racks (in Nos.) is the Number of Lithium-ion battery racks manufactured.*

The data derived for the Peers have been obtained from the financial statements of the peers available on the websites of BSE and NSE.

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

Our continued growth depends on the ability and performance of our existing technology that is utilized and will be utilized in our operations. We have implemented various information technology and ERP software solutions to cover key areas viz. production, finance, sales, marketing, logistics, purchase and inventory, across our Manufacturing Facilities and for our projects and services. We may in the future experience disruptions, outages, and other performance problems with our infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, distributed denial-of-service attacks or other security-related incidents. In some instances, we may not be able to identify the cause or causes of these performance problems immediately or in short order. We may not be able to maintain the level of production if there is an interruption or outage in the technology that we currently employ. While during the last 3 Fiscals, there has not been such instances, frequent or persistent interruptions in our manufacturing process could cause customers to believe that our products are unreliable, leading them to switch to our competitors or to otherwise avoid our products. This could negatively impact market acceptance of our business and our financial condition, and results of operations could be adversely affected. Further, our various information technology systems are potentially vulnerable to damage or interruption from a variety of sources, which could result from *inter alia* cyber-attacks. A significant or large-scale malfunction or interruption of one or more of our IT infrastructure or ERP systems could adversely affect our operations. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Further, we do not have an IT Policy for minimisation or avoidance of malfunction of operating systems. While during the last 3 Fiscals, there has not been such instances, such malfunction or disruptions could cause economic losses for which we could be held liable or cause damage to our reputation. Any of these factors, could have a material adverse effect on our business, results of operations and financial condition.

24. ***We are significantly reliant on our Promoters, Key Managerial Personnel, Senior Managerial Personnel and persons with technical expertise. The number of KMP and Senior Management personnel who left our Company during Fiscal 2025, Fiscal 2024 and Fiscal 2023 was 4, 1 and nil. Failure to retain or replace them will adversely affect our business.***

In order to successfully manage and expand our business, we are dependent on the services of our Promoters, Key Managerial Personnel and Senior Managerial Personnel, and their ability to attract, train, motivate and retain skilled employees and other professionals. Our Company is led by qualified Promoters who have been instrumental in envisioning the business. The continued involvement of our Promoters, Key Managerial Personnel and members of our senior management in the leadership position of our Company is critical to our success and their non-availability in a leadership role could have a deleterious impact on our business and financial conditions. Set out below is the attrition in our KMP and Senior Management.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
KMP and Senior Management (no. of persons)	4	1	Nil

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

25. ***We have in the past entered into related party transactions and may continue to do so in the future. The sum of all our Related Party Transaction for Fiscal 2025, Fiscal 2024 and Fiscal 2023, was 6.64%, 4.37% and 2.33%, of our revenue from operations respectively. We cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related***

parties and that such transactions will not have an adverse effect on our financial conditions and result of operation.

We have engaged in the past, and may engage in the future, in transactions with related parties, including with our Promoters, Directors, Key Managerial Personnel and their, on an arm's length basis and in compliance with applicable law. Such transactions could be for salaries and remuneration, rent expenses, loans given etc. A summary details of our transactions with related parties are set out below:

(in ₹ million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Sum of all related party transactions	1,631.25	1063.32	117.13
Revenue from Operations	24,387.80	24,344.89	5,031.96
Sum of all related party transaction as a % of Revenue from Operations	6.69%	4.37%	2.33%

Details of our related party transactions are set out below:

(in ₹ million)

Particulars	Relationship of the Related Party	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
Sale of products/Services				
Lanarsy Infra Limited	Enterprises controlled or significantly influenced by key management personnel or their relatives	17.04	14.74	-
		17.04	14.74	-
Rental income				
Qogno Digital Infrastructure Private Limited	Enterprises controlled or significantly influenced by key management personnel or their relatives	-	-	0.25
		-	-	0.25
Engineering, procurement and construction project expenses				
Lanarsy Infra Limited	Enterprises controlled or significantly influenced by key management personnel or their relatives	1,355.84	958.83	-
Qogno Digital Infrastructure Private Limited	Enterprises controlled or significantly influenced by Key Management personnel or their relatives	-	-	32.06
		1,355.84	958.83	32.06
Other expenses				
Qogno Digital Infrastructure Private Limited	Enterprises controlled or significantly influenced by key management	-	-	1.52
		-	-	1.52

Particulars	Relationship of the Related Party	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
	personnel or their relatives			
Borrowings taken				
Venugopalrao Maddisetty	Key Managerial Personnel	-	80.00	160.00
Maddisetty Padma		-	80.00	50.00
Pace Power Systems	Entity in which a Director is a Partner/Member	47.00	140.00	100.00
		47.00	300.00	310.00
Repayment of borrowings				
Venugopalrao Maddisetty	Key Managerial Personnel	19.53	69.31	60.00
Maddisetty Padma	Key Managerial Personnel	14.78	59.36	9.09
Pace Power Systems	Entity in which a Director is a Partner/Member	146.77	140.23	-
		181.08	268.90	69.09
Interest expenses				
Maddisetty Padma	Key Managerial Personnel	9.79	11.08	-
Pace Power Systems	Entity in which a Director is a Partner/Member	7.38	13.64	0.52
Venugopalrao Maddisetty	Key Managerial Personnel	12.05	11.13	-
		29.22	35.85	0.52
Interest paid				
Maddisetty Padma	Key Managerial Personnel	1.10	3.19	-
Pace Power Systems	Entity in which a Director is a Partner/Member	7.38	13.64	0.52
Venugopalrao Maddisetty	Key Managerial Personnel	1.21	1.11	-
		9.69	17.94	0.52
Corporate social responsibility expenses				
Srinivasa Educational Society	Entity in which a Director is a interested	-	-	8.69
		-	-	8.69
Rent Expenses				
Pace Power Systems	Entity in which a Director is a Partner/Member	34.99	24.28	31.18
		34.99	24.28	31.18
Reimbursement of LC & BG charges				
Lanarsy Infra Limited	Entity in which a Director is a Partner/Member	11.96	-	-
		11.96	-	-
Rent deposit received				
Pace Power Systems	Entity in which a Director is a Partner/Member	19.70	-	-
		19.70	-	-

Particulars	Relationship of the Related Party	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023
Other expenses				
Pace Power Africa Limited	Entity in which a Director is a Partner/Member	9.08	-	-
Pace Power Systems	Entity in which a Director is a Partner/Member	119.76	-	-
		128.84	-	-
Advance salary				
Rajiv Maddisetty	Key Managerial Personnel	1.00	-	-
		1.00	-	-
Payment made on behalf of				
Pace Power Systems	Entity in which a Director is a Partner/Member	12.63	-	-
		12.63	-	-
Equity shares issued during the year				
Mudduluru Dheeraj Varma	Relative of the Key Managerial Personnel	1.00	-	-
		1.00	-	-
Interest income on corporate guarantee				
Pace Power Systems		-	39.92	39.92
		-	39.92	39.92
Sitting fee paid to independent directors				
Om Prakash Mishra	Independent Director	0.20	-	-
Prabhakar Reddy Patil	Independent Director	0.10	-	-
Satishchandra B Ogale	Independent Director	0.20	-	-
		0.50	-	-
Remuneration paid to key managerial person				
Venugopalrao Maddisetty	Key Managerial Personnel	31.47	17.97	17.97
Maddisetty Padma		20.33	16.92	16.15
Rajiv Maddisetty		10.92	9.47	9.05
P. Rajavendhan		6.20	-	-
Meghana M P		0.96	-	-
		69.88	44.36	43.17

For summary of related party transactions, see ‘*Summary of Issue Documents - Summary of Related Party Transactions*’ and ‘*Restated Consolidated Financial Information - Note 44 - Related Party Disclosures*’ on pages 23 and 407, respectively.

While we believe that all such transactions have been conducted on an arm’s length basis and contain commercially reasonable terms, there can be no assurance that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. We cannot assure you that such transaction, individually or in the aggregate, will always be in our best interests and/or that it will not have an adverse effect on our business and results of operations.

26. ***We have incurred indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. As of July 31, 2025, our aggregate sanctioned borrowings was ₹ 13,580.86 million and aggregate outstanding borrowings was ₹ 8,200.18 million. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.***

As of July 31, 2025, our total sanctioned was ₹ 13,580.86 million and our outstanding balance of our fund based borrowings, including secured and unsecured borrowings (long term and short term) was ₹ 1,325.70 million and non-fund based borrowings was ₹ 6,874.48 million, respectively. The level of our indebtedness could have several consequences, including but not limited to the following:

- i. defaults of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets; and
- ii. our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favourable to us may be limited.

Additionally, our financing agreements contain certain conditions and restrictive covenants that require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions. Our lenders require us to obtain their prior approval for certain actions, which, amongst other things, restrict our ability to undertake various actions including incur additional debt, declare dividends, amend our constitutional documents, change the ownership or control and management of our business. While our Company has received necessary approval from its lenders to undertake this Issue, we cannot assure you that we will be able to obtain approvals to undertake any other aforementioned activities as and when required or comply with such covenants or other covenants in the future. For further details regarding our indebtedness, see ‘*Restated Consolidated Financial Information*’ and ‘*Financial Indebtedness*’ beginning on pages 361 and 464, respectively. Further, while there has been no default by us in re-payment of any debt obligations in the last 3 Fiscals, any such default of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets.

27. ***Inability to obtain or protect our intellectual property rights may adversely affect our business. Further, our logo is not registered as of the date of this Red Herring Prospectus and we have filed 2***

trademark applications for registration of ‘Pace Digitek’ and



As on the date of this Red Herring Prospectus, our Subsidiary i.e. Lineage, has 2 registered trademarks.

Our Company has also filed 2 trademark applications for registration of ‘Pace Digitek’ and , which are currently pending. For further details, see ‘*Our Business - Intellectual Property*’ on page 298. Any claim of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. Our inability to obtain or maintain our trademarks in our business, could adversely affect our reputation, goodwill, business prospectus, and results of operations.

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



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

28. ***There are outstanding legal proceedings involving our Company aggregating to ₹ 497.58 million our Promoters, aggregating to ₹ 7.65 million, and our Subsidiaries, aggregating to ₹ 52.31 million which, if determined against us, could have a material adverse effect on our business, cash flows, financial condition and results of operations.***

Our Company, our Promoters and our Subsidiaries are currently involved in legal proceedings which are currently pending before different judicial fora. A summary of outstanding litigation and the monetary amount involved in the cases we are currently involved in is mentioned in brief below:

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (₹ in million)*
1.	Company						
	By our Company	Nil	-	-	-	-	-
	Against our Company	Nil	24^	1	-	-	497.58
2.	Promoters						
	By our Promoter	Nil	-	-	-	Nil	Nil
	Against our Promoter	4	Nil	1	Nil	Nil	7.65
3.	Directors (other than Promoters)						
	By our Directors	Nil	-	-	-	Nil	Nil
	Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
4.	Subsidiaries						
	By our Subsidiaries	Nil	-	-	-	Nil	Nil
	Against our Subsidiaries	Nil	9	Nil	Nil	Nil	52.31

*To the extent quantifiable.

^ Includes 1 writ petition in relation to a tax proceeding which is pending before the High Court, Bengaluru. For further details, see 'Outstanding Litigation and Other Material Developments - Litigation involving our Company – Litigation against our Company - Tax proceedings' on page 486.

For further details on the outstanding litigation matters involving our Company, its Promoters, its Directors (other than Promoters), its Subsidiaries, its Key Managerial Personnel, its Senior Management, and Group Companies see 'Outstanding Litigation and Other Material Developments' on page 485.

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

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

29. ***The auditor's report on the financial statements of the Company included qualifications in the report on the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act (CARO 2020) for Fiscal 2025, Fiscal 2024 and Fiscal 2023 of our current Statutory Auditors and erstwhile statutory auditors. These qualifications did not require any corrections in the Restated Consolidated Financial Information included in this Red Herring Prospectus.***

The auditor's report on the financial statements of the Company included qualifications in the report on the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act (CARO 2020) for Fiscal 2025, Fiscal 2024 and Fiscal 2023 of our current Statutory Auditors and erstwhile statutory auditors. These pertain to (i) not maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment; (ii) the quarterly stock statements as submitted to the banks or financial institutions not being in agreement with the books of accounts; (iii) regarding depositing undisputed statutory dues with statutory authorities; (iv) not having internal audit systems for Fiscal 2024 and Fiscal 2023; (v) unspent amount of CSR not transferred to a fund in terms of Companies Act in Fiscal 2024 and Fiscal 2023. For further details, see 'Financial Information - Independent Auditor's Examination Report on Restated Consolidated Financial Information' on page 361. These qualifications did not require any corrections in the Restated Consolidated Financial Information included in this Red Herring Prospectus. Further, there are no qualifications included by our Statutory Auditors in the financial statements which have not been given effect to in the Restated Consolidated Financial Information.

30. ***There have been changes to our key financial ratios which we consider while evaluating our financial conditions. Any significant changes to these financial ratios may impact our business operations and financial conditions.***

There have been changes to our key financial ratios, which we consider while evaluating our financial conditions, as set out below as of March 31, 2025, March 31, 2024 and March 31, 2023:

Sr. No.	Ratio	As of and for the Fiscal		
		2025	2024	2023
1	EBITDA Margin (%)	20.71%	17.41%	7.90%
2	Growth in PAT %	21.42%	1,290.38%	43.74%
3	PAT Margin (%)	11.44%	9.44%	3.29%
4	Return on Equity (ROE) (%)	23.09%	40.53%	4.93%
5	Current Ratio	1.72	1.25	1.45

The change in these key financial ratios was primarily due to significant increase in the revenue from operations of our Company. Our revenue from operations increased by 383.81% from ₹ 5,031.96 million in Fiscal 2023 to ₹ 24,344.89 million in Fiscal 2024 on account of an increase in sale-EPC of from ₹ 1,588.30 million in Fiscal 2023 to ₹ 22,649.86 million in Fiscal 2024 primarily due to substantial work carried out by us for the 4G Saturation Project. For reasons further details, see 'Management's Discussion and Analysis of Financial Condition and Results of Operations - Fiscal 2024 compared to Fiscal 2023' on page 476.

31. ***We are dependent on the performance of our Subsidiaries, and in particular our Material Subsidiary i.e., Lineage Power Private Limited for the products which are commissioned for the projects undertaken by our Company, and for the Manufacturing Facilities which are set up through Lineage***

Power Private Limited. Our Subsidiaries constituted 7.31%, 5.68% and 66.49% to our consolidated revenue from operations during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Further, the revenue generated from products manufactured at our manufacturing facility constituted 1.21%, 3.00% and 20.53% of our revenue from operations during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Any losses incurred by the Subsidiaries in the future could have an adverse impact on our performance, on a consolidated basis, and may also impact on our growth prospects.

We are dependent on the performance of our 6 Subsidiaries which are located in India, Singapore, and Myanmar. We are in particular dependent on our Material Subsidiary i.e., Lineage Power Private Limited for the products which are commissioned for the projects undertaken by our Company and for the Manufacturing Facilities which are set up through Lineage Power Private Limited. Our Subsidiaries constituted 7.31%, 5.68% and 66.49% to our consolidated revenue from operations during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Set out below are the revenue from operations and profit after tax of our Subsidiaries from their respective financial statements for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Name of the Subsidiary	Revenue from Operations (in ₹ million)			Profit after tax (in ₹ million)		
	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Lineage Power Private Limited	6,285.27	8,348.69	3,197.00	602.15	480	97.44
Pace Renewable Energies Private Limited	0.78	73.39	94.57	(145.30)	114.3	43.67
AP Digital Infra Private Limited	0	0	0	12.85	(1.47)	(1.50)
Inso Pace Private Limited	0	0	0	2.89	(0.09)	(0.14)
Lineage Power Holdings (Singapore) Pte. Ltd.	0	0	0	(0.63)	(0.48)	2.01
Lineage Power (Myanmar) Limited	22.93	57.71	58.03	1.78	(0.58)	30.88

While we have, on a consolidated level, not incurred any losses during Fiscal 2025, Fiscal 2024 and Fiscal 2023, few of our Subsidiaries have incurred losses in the past (as indicated in the table above). Any losses incurred by the Subsidiaries, in particular our Material Subsidiary i.e., Lineage Power Private Limited, in the future could have an adverse impact on our performance, on a consolidated basis, and may also impact on our growth prospects.

32. *We may be unable to enforce our rights under some of the agreements executed by us on account of insufficient stamping.*

While currently the lease deeds, rent / license agreements executed by us for properties from which we operate are adequately stamped and registered, in the past some of the lease deeds, rent / license agreements executed by us were insufficiently stamped or registered with the registering authority of the appropriate jurisdiction. For details, see ‘Our Business - Property’ on page 299. Inadequately stamped documents while not illegal cannot be enforced in a court of law until the applicable stamp duty, with penalty, has been paid and could impact our ability to timely enforce our rights under the agreements and may have a material adverse effect on the continuance of our operations and business. While there have been no material instances where our Company was unable to enforce its rights on account of insufficient stamping of agreements leading to an adverse impact on the business and operations of the Company during Fiscal 2025, Fiscal 2024 and Fiscal 2023, we cannot assure you that we will be able to enforce our rights under these arrangements in the future if such documents are not adequately stamped and registered.

33. *Any break-down of our machinery at our Manufacturing Facilities, set up through Lineage, will have a significant impact on our business, financial results and growth prospects. Our success and financial condition will depend on our ability to maximise our capacity utilisation.*

Our manufacturing operations, set up through Lineage, are dependent on our machinery and some of the key machinery include 10MW Solar Power Generating Unit, Energy Meter Calibration & Test System, Transformer, Meter Reference Standard- Radian, Generator, Hydraulic Scissor Table and Hydraulic

Cranes. Our product output is dependent on the efficient utilisation of our machinery. Any significant malfunction or breakdown of our machinery may entail repair and maintenance costs and cause delays in our operations. During the last 3 Fiscals, there have been no instances of break-down of machinery which had a material impact on the business operations of our Company. Further, while we believe that we maintain necessary supplies of spare parts and maintenance related equipment, if we are unable to procure the necessary spare parts in a timely manner or if we are unable to carry out the necessary repair of the malfunctioning machinery promptly, our manufacturing operations may be hampered which could have an adverse impact on our results of operations and financial condition. In addition, any malfunction or break-down of machinery which significantly impacts our manufacturing process could also have an adverse impact on our ability to meet our product delivery schedules which could also invite penalties / damages and affect our reputation. Our machineries may also become obsolete due to technological advancements which may impact the quality of our products and our ability to compete effectively.

34. *Health, safety and environmental matters, including compliance with environmental laws and remediation of contamination, could result in substantially increased capital requirements and operating costs.*

Our business and operations are subject to laws, regulations and contractual commitments relating to health, safety and the environment. These laws, regulations and contractual commitments concern air emissions, wastewater discharges, solid waste material handling and disposal, worker health and safety, and the investigation and remediation of contamination or other environmental restoration. The risks of substantial costs and liabilities related to these laws and regulations are an inherent part of our business, and future conditions and contamination may develop, arise or be discovered that create substantial environmental compliance, remediation or restoration liabilities and costs. Other developments, such as increased requirements of environmental, health and safety laws and regulations, increasingly strict enforcement thereof by governmental authorities, and claims for damages to property or injury to persons resulting from the environmental, health or safety impacts our Company's operations or past contamination, could prevent or restrict some of our Company's operations, require the expenditure of significant funds to bring our Company into compliance, involve the imposition of clean up requirements and give rise to civil or criminal liability. While during the last 3 Fiscals, there has not been such instances, there can be no assurance that any such legislation, regulation, enforcement or private claim will not have a material adverse effect on our Company's business, financial condition or results of operations. In the event that production at our Manufacturing Facilities are partially or wholly prevented due to this type of sanction, our Company's business could suffer significantly, and its results of operations and financial condition could be materially and adversely affected.

35. *We are dependent on third party logistic and support service providers for the delivery of raw materials and finished products. Our freight outward expenses were 0.44%, 0.36% and 0.24%, and freight inward expenses were 4.71%, 2.37% and 0.83% of our total expenses for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Any disruptions in their services including transportation services or a decrease in the quality of their services may adversely affect our business, financial condition and results of operations.*

We rely on third party logistic and support service providers including for transportation services at multiple stages of our business activities, including for procurement of raw materials from our suppliers and for transportation of our finished products from our factory to our customers and project sites. We generally use air, water and road transportation services to meet our transportation requirements. During Fiscal 2025, Fiscal 2024 and Fiscal 2023 our freight outward expenses were ₹ 91.95 million, ₹ 76.45 million and ₹ 12.01 million constituting 0.44%, 0.36% and 0.24% of our total expenses respectively and our freight inward expenses were ₹ 979.17 million, ₹ 510.85 million and ₹ 40.79 million constituting 4.71%, 2.37% and 0.83% of our total expenses respectively.

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

similar events. We may face transportation risks including damage or losses of goods in transit, delay in deliveries to our customers etc. due to loss or pilferage, which we may not be able to fully recover from our service provider or from our insurance coverage. Further, while we seek to factor in transportation cost in the cost of finished products and project costs, we bear transportation risk for the duration of transit. In addition, we may be required to replace a service provider if its services do not meet our safety, quality or performance standards or the partner's non-compliance with applicable laws or if it should unexpectedly discontinue operations due to reasons beyond its or our control. While there have been no such instances during the last 3 Fiscals, we cannot assure you that, such instances will not occur in the future. While there have been no such instances during the last 3 Fiscals, we cannot assure you that such instances will not occur in the future. Any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or inability to deliver our products to our customers or may require us to look for alternative means of transportation which may not be cost or time efficient, thereby adversely affecting our operations, profitability, reputation and market position.

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

Our technical knowledge has helped us in manufacturing a wide range of Telecom Infra equipments products and enables us to cater to specific requirements of customers. Such technical knowledge has been built up through our own experiences and through our research. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

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

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

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

Our operations may be subject to incidents of theft. We may also encounter some inventory loss on account of employees, vendors, suppliers' fraud, theft, or embezzlement. We have set up various security measures in our manufacturing facilities such as closed circuit television surveillance system, deployment of security guards, monthly physical verification system and ERP reconciliation process. While there has not been any instance of fraud, misconduct, misrepresentation by our employees in the last 3 financial years, there can be no assurance that we will not experience any fraud, theft, employee negligence, loss in transit or similar incidents in the future, which could adversely affect our reputation, results of operations, financial condition, and cash flows.

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

In terms of applicable laws and our contracts, we require various statutory and regulatory permits, licenses, registrations, certifications, consents and approvals to carry out our business and operations

(cumulatively, the **Approvals**). A majority of these Approvals are granted for a limited duration and must be periodically renewed. While there have been no instances of rejection of any Approvals of our Company in the past we cannot assure you that such instances will not occur in the future or we will be able to renew our Approvals in a timely manner or at all. If we do not receive these Approvals or if we are unable to renew the Approvals in a timely manner, or at all, then our business and operations may be adversely affected. For further details, see ‘*Government and Other Approvals*’ on page 491.

Moreover, the Approvals are subject to various conditions and there can be no assurance that these Approvals and non-compliance or alleged non-compliance with any terms or conditions of such Approvals could lead to regulatory action including monetary penalties, imprisonment of concerned officers in default, suspension or revocation of the approval. Suspension or revocation of the Approvals by the relevant regulatory authority, either on account of non-compliance or otherwise, would impair our Company’s operations and, consequently, have an adverse effect on our business, cash flows and financial condition.

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

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

We, through Lineage, have set up 2 manufacturing facilities in Bengaluru, Karnataka, one manufacturing facility located at Plot No. 27A, 1st Phase, Industrial Estate Mysore Road, Kumbalgodu, Bengaluru-560074, Karnataka for manufacturing Telecom Infra equipments (**Manufacturing Facility 1**) and the other for manufacturing facility located at Plot No. 30 A-1, 1st Phase, Industrial Estate, Mysore Road, Kumbalgodu, Bengaluru, Karnataka-560074 for manufacturing lithium ion battery systems (**Manufacturing Facility 2**). We, through Lineage, have recently commenced operations at our manufacturing facility at 73-P, Bidadi Industrial Area, 2nd Phase, Sector-2, Bidadi, Karnataka which is being used for manufacturing BESS (**Manufacturing Facility 3**). Our manufacturing operations are subject to operating risks, such as the breakdown or failure of equipment, power supply interruptions, facility obsolescence or disrepair, labour disputes, natural disasters and industrial accidents. The occurrence of any of these risks could affect our operations by causing production at our manufacturing units to shut down or slowdown. While there have been no other instances of having to shut down our facilities in the immediately preceding 3 Fiscals, we cannot assure you that such instances will not occur in future.

We are also significantly dependent on continuous supply of essential utilities such as electricity, and water which are critical to our operations. While there have not been any instances of shortage of electricity, and water during the immediately preceding 3 Fiscals, any shortage or non-availability of essential utilities in the future could result in temporary shut-down of a part, or all, of our operations. Such shut-downs could, particularly if they are for prolonged periods, could an adverse effect our business, results of operations and financial condition.

The concentration of our Manufacturing Facility and operations in a single location in Karnataka subjects us to various risks, including vulnerability to change of policies, laws and regulations or the political, disruption or disturbance in surrounding areas, any of which, could adversely affect our business, financial condition, results of operations, cash flows and prospects.

40. ***Our Promoters have subscribed to Equity Shares at a price which could be below the Issue Price. The average cost of acquisition of Equity Shares by our Promoters could also be lower than the Issue Price.***

We have issued Equity Shares to our Promoters at a price which could be below the Issue Price. For more details see 'Capital Structure' on page 105.

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

Name	Number of Equity Shares held	Average Cost of Acquisition per Equity Share (in ₹)
Promoters		
Maddisetty Venugopal Rao	50,033,310	0.02
Maddisetty Padma	49,983,330	0.02
Rajiv Maddisetty	24,991,680	0.02
Lahari Maddisetty	24,991,680	0.02

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

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

Currently, our Promoters and members of the Promoter Group hold 150,000,000 Equity Shares constituting 84.07% of our Equity Share capital of our Company, and they will continue to remain our largest Shareholders even after the completion of this Issue. While there is no shareholder agreement in place with our Promoters and members of the Promoter Group, they will nevertheless, collectively, will have the ability to significantly influence our corporate decision-making process. This will include the ability to appoint Directors on our Board and the right to approve significant actions at the Board and at the Shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements and any amendment to the constitutional documents. Our Company cannot assure you that the interest of the Promoters and members of the Promoter Group in any such scenario will not conflict with the interest of other Shareholders or with our Company's interests. Any such conflict may adversely affect our Company's ability to execute its business strategy or to operate our Company's business effectively or in the best interests of the other Shareholders of our Company.

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

Our Promoters, some of our Directors and Key Managerial Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Further, our Promoters and certain Directors and Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares held by them or their relatives (or Promoter Group) as well as to the extent of dividend on such Equity Shares or any other corporate action on such Equity Shares that may be held by them in the future. Our Company cannot assure you that our Promoter, Directors and our Key Managerial Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see 'Our Management' and 'Our Promoters and Promoter Group' on pages 328 and 350, respectively.

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

Our operations are subject to various risks and hazards which may adversely affect revenue generation and profitability of our Company. The amount of insurance that we maintain are also dependent on the projects that we undertake. For instance, our insurance coverage was ₹ 59,334.58 million and 132,612.68 million on our net assets of ₹ 1,481.84 and 1,777.20 million during Fiscal 2024 and Fiscal 2025 due to the 4G saturation project of value of ₹ 75,682.80 million that was awarded to us in March 2023 by a public sector telecom company (**4G Saturation Project**). While our Company believes that it has taken adequate safeguards to protect our Company's assets from various risks inherent in our Company's business, it is possible that our Company's insurance cover may not provide adequate coverage in certain circumstances. For details of our insurance, see 'Our Business - Insurance' on page 305. While our

Company believes that we maintain sufficient insurance cover by virtue of maintaining insurance policies, certain types of losses may be either uninsurable, not economically viable to insure or not offered for insurance, such as losses due to acts of terrorism or war. If any uninsured loss occurs, our Company could lose our investment in, as well as anticipated profits and cash flows from the asset. Further, even in the case of an insured risk occurring there can be no assurance that our Company will be successful in claiming insurance in part or full, or that the insurance purchased by us will be sufficient to cover the loss occasioned by the risk. Any loss that is not covered by insurance, or for which our Company is unable to successfully claim insurance, or which is in excess of the insurance cover could, in addition to damaging our Company's reputation, have an adverse effect on our Company's business, cash flows, financial condition and results of operation. Further, an insurance claim once made could lead to an increase in our Company's insurance premium. In addition, our Company's insurance coverage expires from time to time. Our Company will apply for the renewal of our insurance coverage in the normal course of its business, but our Company cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that our Company suffers loss or damage for which it did not obtain or maintain insurance, and which is not covered by insurance or exceeds our Company's insurance coverage or where its insurance claims are rejected, the loss would have to be borne by our Company and its results of operations, cash flows and financial condition may be adversely affected.

Details of our total insurance coverage *vis-à-vis* our net assets as on March 31, 2025, March 31, 2024 and March 31, 2023 is set out below:

(in ₹ million, unless specified otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Insurance coverage* (A)	132,612.68	59,334.58	7,863.73
Net assets** as per Restated Consolidated Financial Information (B)	1,777.20	1,481.84	1,481.04
Insurance coverage times the net assets (A/B)	74.62	40.04	5.31

*Insurance Coverage= Total insurance coverage amount by considering insurance policies property, equipment, vehicles, stock and all risk insurance / Net Assets

**Net assets = Sum of Property, Plant and Equipment (net block) +Capital Work in Progress +Intangibles (net block) + Investment Property (Buildings net block)

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

Some of the properties through which we carry out our business operations have been leased by us. For further details of our premises, see 'Our Business - Property' on page 299. We cannot assure you that we will have the right to occupy, these premises in the future, or that we will be able to continue with the uninterrupted use of these premises. Failure to adhere to the conditions of the lease could require us to relocate our operations, which may impair our operations and adversely affect our financial condition. Further, identification of a new location to house our operations and relocating our business to new premises may place demands on our senior management and other resources and also involve us incurring significant expenditure. Any inability on our part to timely identify a suitable location for a relocated office could have an adverse impact on our business.

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

Changes in preferences of customers, particularly in Telecom Infra equipments, regulatory or industry requirements or in competitive technologies may render some of our products obsolete or less attractive. Our ability to anticipate changes in industry trends and to successfully introduce new and, or, enhanced products in a timely manner is a significant factor in our ability to remain competitive. However, there can be no assurance that we will be able to secure the necessary knowledge or ability that will enable us

to develop our products to meet the industry trends. If we are unable to obtain such knowledge or ability in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected. Moreover, we cannot assure you that we will be able to achieve such knowledge or skills that may be necessary for us to remain competitive or that some of our products will not become obsolete.

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

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

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

47. *We have contingent liabilities outstanding and if these fully materialise and it could adversely affect our business, results of operations and financial condition. Our contingent liabilities as a percentage of our profit after tax for Fiscal 2025, Fiscal 2024 and Fiscal 2023 constituted 19.87%, 22.54% and 127.25%, respectively.*

The table below sets forth the details of our contingent liabilities as on March 31, 2025, March 31, 2024 and March 31, 2023:

<i>(in ₹ million, except %)</i>			
Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Contingent liabilities			
Direct tax matters	93.76	94.56	55.60
Indirect tax matters	460.84	423.53	154.79
Total (A)	554.60	518.09	210.39
Profit after tax (B)	2,791.02	2,298.71	165.33
Contingent liabilities as a % of Profit after tax (A/B)	19.87%	22.54%	127.25%

Our contingent liabilities as a percentage of our profit after tax for Fiscal 2025, Fiscal 2024 and Fiscal 2023 constituted 19.87%, 22.54% and 127.25%, respectively. If these contingent liabilities were to fully materialize or materialize at a level higher than we expect, it may materially and adversely impact our

business, results of operations and financial condition. Further, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future.

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

As of March 31, 2025, our Company had 1,301 creditors and the aggregate amount due by our Company to these creditors was ₹ 10,150.25 million, as detailed below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises*	122	138.98
Material Creditors**	3	3,437.94
Other creditors (excluding provisions for expenses)	1,176	5,323.30
Provision for expenses	Not identifiable	1,250.03
Total	1,301	10,150.25

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

**In terms of our Materiality Policy, the creditors ‘material’ to whom the amount due is in excess of 5% of the total outstanding dues (that is, trade payables) of the Company as on March 31, 2025 is set out below:

Particulars	Number of Creditors	Amount involved (in ₹ million)
Material Creditors	3	3,437.94

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

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

Our Company has not declared dividends during the period from April 1, 2025 till the date of this Red Herring Prospectus, and during Fiscal 2025, Fiscal 2024 and Fiscal 2023. Further, our Company’s ability to pay dividends in the future will depend upon a variety of factors, including our profitability, general financial conditions, capital requirements, results of operations, contractual obligations including terms and conditions of the financing agreements executed by our Company with lenders, overall financial position, applicable Indian legal restrictions, our Company’s Articles of Association, and other factors considered relevant by the Board of Directors of our Company. Further, our Promoters and Promoter Group will continue to hold a substantial portion of our post-Issue paid-up Equity Share capital and may have a significant ability to control the payment and/or the rate of dividends. Therefore, our Company cannot assure you that it will be able to declare dividends, of any particular amount or with any frequency in the future. For further details, see the ‘Dividend Policy’ on page 360.

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

The funding requirements and the deployment of the proceeds from the Fresh Issue are based on the current business plan, current conditions, internal management estimates and strategy of our Company, which may be subject to changes. Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of Net Proceeds. Various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. Thus, the use of the Net Proceeds

for the purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

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

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

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

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

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

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

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

External Risk Factors

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

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

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

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

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

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

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

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

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

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

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

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLM. Furthermore, the Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process. These will be based on numerous factors, including factors as described under 'Basis for the Issue Price' on page 166 and may not be indicative of the market price for the Equity Shares after the Issue. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLM is below their respective issue price. For further details, see 'Other Regulatory and Statutory Disclosures - Price information of past issues handled by the BRLM' on page 508. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our control. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

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

There is no guarantee that our Equity Shares will be listed on the BSE and the NSE in a timely manner or at all. In accordance with Indian law, permission for listing and trading of our Equity Shares will not

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

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

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

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

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

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

Employee compensation in India has historically been significantly lower than employee compensation in the United States and Western Europe for comparably skilled professionals. However, compensation increases in India may erode some of this competitive advantage and may negatively affect our profit margins. Employee compensation in India is increasing at a faster rate than in the United States and Western Europe, which could result in increased costs relating to managers and other mid-level professionals. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition. Compensation increases may have an adverse effect on our business, financial condition, cash flows and results of operations.

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

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

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

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

- a. high rates of inflation in India and in countries where our customers are based could increase our costs without proportionately increasing our revenue, and as such decrease our operating margins;
- b. any slowdown in economic growth or financial instability in India and in countries our customers are based;
- c. any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;
- d. prevailing income conditions among customers and corporates;
- e. volatility in, and actual or perceived trends in trading activity on, the relevant market's principal stock exchanges;
- f. changes in existing laws and regulations in India and in countries where our customers are based;
- g. political instability, terrorism or military conflict in the region or globally, including in various neighbouring countries;
- h. occurrence of natural or man-made disasters;
- i. any downgrading of debt rating of India by a domestic or international rating agency; and
- j. instability in financial markets.

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

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

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

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

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

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

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

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

Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

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

We have not attempted to quantify the impact of U.S. GAAP or any other system of accounting principles on the financial data, prepared and presented in accordance with Ind AS for Fiscal 2025, Fiscal 2024, and Fiscal 2023, included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or any other accounting principles. U.S. GAAP differs in significant respects from Ind AS. Accordingly, the degree to which the Restated Consolidated Financial Information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS and SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Prospectus should accordingly be limited. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS.

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

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

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

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

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹ 0.10 million arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018, on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (STT), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of Equity Shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempted from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

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

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

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

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

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. In addition, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all. For further details, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 545. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT and the FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities, investments under the foreign direct investment route by entities of a country which shares land border

with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, in a timely manner or at all.

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

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

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

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

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

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

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within 3 Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the

Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

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

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

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

Our total income, EBITDA, and profit after tax for Fiscal 2025 was ₹ 24,622.02 million, ₹ 5,051.28 million and ₹ 2,791.02 million, respectively. Our enterprise value to EBITDA ratio (based on EBITDA for Fiscal 2025) is [●]. Our market capitalisation to total income multiple, market capitalisation to earnings multiple, price to earnings ratio and enterprise value to EBITDA ratio based on the Issue Price of our Company are set out below:

Market capitalisation (based on the Issue Price) to total income (Fiscal 2025) multiple	[●] times
Market capitalisation (based on the Issue Price) to earnings (Fiscal 2025) multiple	[●] times
Price earnings ratio (based on EBITDA for Fiscal 2025) at the upper end of the Price Band	[●]
Price to earnings ratio (based on profit for the year for Fiscal 2025) at the upper end of the Price Band	[●]

The Issue Price will be determined by our Company in consultation with BRLM based on various factors and assumptions. Furthermore, the Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process, and will be based on numerous factors, including factors as described under 'Basis for the Issue Price' beginning on page 166 and may not be indicative of the market price for the Equity Shares after the Issue. Accordingly, the Issue Price, multiples and ratio may not be indicative of the market price of the Equity Shares on listing or thereafter. The factors that could affect the market price of the Equity Shares include, among other, broad market trends, our financial performance and results post-listing, and other factors beyond our Company's control. Our Company cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

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

The Equity Shares of our Company may be subject to general market conditions which may include significant price and volume fluctuations, once the Equity Shares of our Company are listed. The price of the Equity Shares may fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our performance and profitability, or any other political or economic factor. The occurrence of these factors may lead to the surveillance measures stipulated by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework being triggered in relation to the

Equity Shares. If the Equity Shares are covered under such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of the Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of the Equity Shares or may in general cause disruptions in the development of an active trading market for the Equity Shares.

SECTION III: INTRODUCTION

THE ISSUE

The following table summarizes details of the Issue:

Issue of Equity Shares ⁽¹⁾⁽²⁾	Up to [●] Equity Shares, each of face value of ₹ 2 aggregating to ₹ 8,191.48 million
<i>which includes</i>	
Employee Reservation Portion⁽⁶⁾⁽⁷⁾	Up to [●] Equity Shares, each of face value of ₹ 2 aggregating up to ₹ 20.00 million
The Issue consists of:	
A. QIB Portion⁽²⁾⁽³⁾	Not more than [●] Equity Shares each of face value of ₹ 2
<i>of which:</i>	
(1) Anchor Investor Portion⁽²⁾	Up to [●] Equity Shares each of face value of ₹ 2
(2) Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming the Anchor Investor Portion is fully subscribed)	[●] Equity Shares each of face value of ₹ 2
<i>of which:</i>	
i. Available for allocation to Mutual Fund only (5% of the Net QIB Portion)	[●] Equity Shares each of face value of ₹ 2
ii. Balance of the Net QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares each of face value of ₹ 2
B. Non-Institutional Portion^{(3) (4) (5)}	Not less than [●] Equity Shares each of face value of ₹ 2
<i>of which:</i>	
i. One-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million	[●] Equity Shares each of face value of ₹ 2
ii. Two-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹ 1.00 million	[●] Equity Shares each of face value of ₹ 2
C. Retail Portion⁽³⁾⁽⁴⁾	Not less than [●] Equity Shares each of face value of ₹ 2
Pre and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue (as at the date of this Red Herring Prospectus)	178,442,280 Equity Shares each of face value of ₹ 2
Equity Shares outstanding after the Issue	[●] Equity Shares each of face value of ₹ 2
Utilization of Net Proceeds	See 'Objects of the Issue' on page 142 for information about the utilization of Net Proceeds.

⁽¹⁾ The Issue has been authorised by our Board pursuant to the resolution passed at its meeting dated February 1, 2025 and has been authorised by our Shareholders pursuant to a special resolution passed at their meeting dated February 1, 2025.

⁽²⁾ Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added back to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see 'Issue Procedure' on page 520.

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

Undersubscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see 'Issue Procedure' on page 520.

- (4) Allocation to Bidders in all categories, except in Anchor Investor Portion, Non-Institutional Portion and Retail Individual Investor Portion, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Investor Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹ 0.20 million, subject to availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For details, see 'Issue Procedure' on page 520.*
- (5) Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which: (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 application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the subcategories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders in accordance with the SEBI ICDR Regulations.*
- (6) In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of the Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of the Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹ 0.50 million, as applicable), shall be added to the Net Issue. For further details, see 'Issue Structure' on page 540.*
- (7) Our Company may, in consultation with the BRLM, offer a discount of up to [●]% of the Issue Price (equivalent of ₹ [●] per Equity Share) to the Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which shall be announced at least 2 Working Days prior to the Bid / Issue Opening Date.*

For further details, including in relation to grounds for rejection of Bids, see 'Issue Structure' and 'Issue Procedure' on pages 540 and 520, respectively. For further details of the terms of the Issue, see 'Terms of the Issue' on page 513.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Consolidated Financial Information. The information presented below may differ in certain significant respects from financial statements prepared in accordance with generally accepted accounting principles in other countries, including IFRS. For details, see 'Risk Factor - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, CAGR of EBITDA, EBITDA margin, return on equity, return on capital employed, profit after tax margin, and inventory turnover ratio have been included in this Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.' on page 76. The summary financial information presented below should be read in conjunction with 'Restated Consolidated Financial Information, and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 361 and 467.

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RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million, unless stated otherwise)

Sr No.	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	ASSETS			
(1)	Non-current assets			
	(a) Property, Plant and Equipment	1,147.32	1,070.97	1,055.45
	(b) Capital work-in-progress	320.86	98.05	88.58
	(c) Investment Property	17.86	18.78	19.82
	(d) Right-of-use assets	8.32	4.81	-
	(e) Goodwill	3.64	3.64	3.64
	(f) Other intangible assets	287.51	290.40	306.14
	(g) Intangible Assets under development	-	-	7.41
	(h) Financial Assets			
	(i) Investments	-	-	0.50
	(ii) Other financial assets	954.09	547.91	83.00
	(i) Deferred Tax Asset (Net)	226.92	55.41	62.77
	(j) Non-current tax assets (Net)	48.25	49.26	43.20
	(k) Other non-current assets	280.42	68.46	64.62
	Total non-current asset	3,295.19	2,207.69	1,735.13
(2)	Current assets			
	(a) Inventories	1,126.29	2,716.89	598.30
	(b) Financial Assets			
	(i) Trade receivables	18,431.18	10,764.41	3,943.05
	(ii) Cash and cash equivalents	783.54	957.49	102.68
	(iii) Bank balances other than (ii) above	1,380.49	3,986.89	1,140.32
	(iv) Loans	-	5.02	0.93
	(v) Other financials assets	74.25	171.70	130.44
	(c) Other current assets	1,398.62	1,728.58	750.61
	Total current asset	23,194.37	20,330.98	6,666.33
	Total Assets (1+2)	26,489.56	22,538.67	8,401.46
B.	EQUITY AND LIABILITIES			
(1)	Equity			
	(a) Equity Share capital	356.88	50.00	50.00
	(b) Other Equity	11,342.07	5,345.77	3,133.07
	Equity attributable to the owners of the company	11,698.95	5,395.77	3,183.07
	Non-Controlling Interest	391.07	276.20	168.47
	Total Equity	12,090.02	5,671.97	3,351.54
(2)	LIABILITIES			
I.	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	241.75	250.44	377.71
	(ii) Lease liabilities	4.53	3.17	-
	(iii) Other financial liabilities	1.80	9.59	9.73
	(b) Provisions	649.83	309.57	67.99
	Total Non-current liabilities	897.91	572.77	455.43
II.	Current liabilities			
	(a) Financial Liabilities			

Sr No.	Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	(i) Borrowings	1,365.24	4,681.43	1,543.35
	(ii) Lease liabilities	3.92	1.53	-
	(iii) Trade payables			
	(A) total outstanding dues of micro enterprise and small enterprises; and	138.98	0.36	16.51
	(B) total outstanding dues other than micro enterprise and small enterprises	10,011.27	10,021.00	2,127.90
	(iv) Other Financial Liabilities	606.31	845.82	693.14
	(b) Other current liabilities	205.78	141.50	180.70
	(c) Provisions	290.90	33.41	23.11
	(d) Current Tax Liabilities (Net)	879.23	568.88	9.78
	Total current liabilities	13,501.63	16,293.93	4,594.49
	Total liabilities (I+II)	14,399.54	16,866.70	5,049.92
	Total equity and liabilities (1+2)	26,489.56	22,538.67	8,401.46

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(in ₹ million, unless stated otherwise)

Sr No.	Particulars	For financial year ended March 31, 2025	For financial year ended March 31, 2024	For financial year ended March 31, 2023
A.	INCOME			
	(a) Revenue From Operations	24,387.80	24,344.89	5,031.96
	(b) Other Income	234.22	257.77	114.63
	Total Income (I)	24,622.02	24,602.66	5,146.59
B.	EXPENSES			
	(a) Cost of Raw materials consumed	7,180.57	15,589.50	962.48
	(b) Engineering, procurement and construction project expenses	9,156.38	3,613.40	1,755.37
	(c) Purchases of stock-in-trade	47.15	391.77	921.42
	(d) Changes in inventories	850.97	(809.91)	(30.25)
	(e) Employee benefits expense	667.13	531.85	750.26
	(f) Finance costs	1,151.50	1,119.07	120.49
	(g) Depreciation and amortization expense	60.49	50.92	55.67
	(h) Other expenses	1,668.54	1,048.60	389.84
	Total expenses (II)	20,782.73	21,535.20	4,925.28
	Profit before tax (I-II) = III	3,839.29	3,067.46	221.31
	Tax expense:			
	(a) Current tax expense	1,146.33	781.09	67.97
	(2) Deferred tax (credit)/charge	(171.54)	0.07	(12.92)
	(3) Taxes relating to earlier years	73.48	(12.41)	0.93
	Total tax expense (IV)	1,048.27	768.75	55.98
	Profit after tax (III-IV) = V	2,791.02	2,298.71	165.33
	Other Comprehensive Income			
C.	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans gain/(loss)	0.19	29.03	5.45
	(ii) Income tax relating to these items	(0.05)	(7.31)	(1.56)
D.	Items that will be reclassified to profit or loss			
	(i) Exchange differences on translation of foreign operations	0.53	0.00	(1.26)
	Total other comprehensive income for the year (net of tax) (A+B)	0.67	21.72	2.63
VI.	Total Comprehensive income for the year (V+VI)	2,791.69	2,320.43	167.96
VII.	Profit for the year attributable to:			
	Owners of the company	2,676.08	2,194.35	142.92
	Non Controlling Interest	114.94	104.36	22.41
	Profit after Tax	2,791.02	2,298.71	165.33
VIII.	Other Comprehensive Income attributable to:			
	Owners of the company	0.74	18.35	2.54
	Non Controlling Interest	(0.07)	3.37	0.09
	Other comprehensive income for the year	0.67	21.72	2.63

Sr No.	Particulars	For financial year ended March 31, 2025	For financial year ended March 31, 2024	For financial year ended March 31, 2023
IX.	Total Comprehensive Income attributable to:			
	Owners of the company	2,676.81	2,212.70	145.46
	Non Controlling Interest	114.88	107.73	22.50
	Total comprehensive income for the year	2,791.69	2,320.43	167.96
X.	Earnings per equity share attributable to owners of the company			
	Basic (in ₹)	16.30	14.63	0.95
	Diluted (in ₹)	16.30	14.63	0.95

RESTATED CONSOLIDATED STATEMENT OF CASH FLOW

Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Cash flow from operating activities:			
Profit before income tax	3,839.29	3,067.46	221.31
Adjustments for:			
Depreciation and amortisation expense	60.49	50.92	55.67
Finance cost	1,150.48	1,118.97	120.49
Profit/(loss) on sale of property, plant and equipment	(2.79)	-	3.09
Interest income on security deposits	(2.18)		
Liability written back	(10.52)	(15.75)	(9.04)
Balances written off	187.38	74.94	-
Loss allowance for trade receivable	(24.11)	98.47	18.92
Interest income on delayed payment	(4.67)	-	-
Interest on lease liabilities	1.03	0.10	-
Disposal of intangible assets under development	11.56	7.41	-
Interest received on fixed deposits	(180.39)	(190.59)	(37.99)
Provision for liquidity damages	216.57	-	-
Provision for warranty	380.70	273.23	-
Rental income	(6.93)	(6.93)	(6.02)
Operating profit before working capital changes	5,615.89	4,478.24	366.43
Adjusted for:			
Movements in working capital:			
(Increase)/Decrease in Trade receivables	(7,830.03)	(6,919.94)	(611.31)
(Increase)/Decrease in Other Financial Assets	(296.04)	(116.42)	(39.07)
(Increase)/Decrease in Other Current Assets	117.99	(981.80)	(456.99)
(Increase)/Decrease in Inventories	1,590.60	(2,118.59)	(149.78)
(Increase)/Decrease in provision	0.48	7.68	20.16
Increase/(Decrease) in Trade Payables	133.57	7,894.37	(114.30)
Increase/(Decrease) in Other Financial Liabilities	(247.25)	152.68	613.95
Increase/(Decrease) in Other Current Liabilities	64.28	(39.34)	11.07
Cash generated/(used) from operations	(850.49)	2,356.88	(359.84)
Income taxes paid (net of refunds)	(908.37)	(215.65)	(77.97)
Net cash generated from/(used) in operating activities (A)	(1,758.86)	2,141.24	(437.81)
Cash flows from investing activities:			
Purchase of property, plant and equipment	(365.60)	(58.84)	(63.80)
Proceeds from sale of property, plant and equipment	4.38	-	5.61
Loan granted during the year	-	(3.98)	(0.11)
Loan received back during the year	5.02	-	0.44
Investment made	-	0.50	-
Rent received	6.93	6.93	6.02
Investment in/proceeds from fixed deposits (net)	2,606.98	(3,453.09)	(552.62)
Interest received on fixed deposits	180.39	330.71	56.85
Net cash generated from/(used) in investing activities (B)	2,438.10	(3,177.77)	(547.61)
Cash flow from financing activities:			
Proceeds of long term borrowings	218.10	-	7.80

Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Repayment of long term borrowings	(482.06)	(1,184.42)	(82.56)
(Repayment)/proceeds of short term borrowings (net)	(3,060.92)	3,562.28	665.81
Payment of lease liabilities	(4.18)	(0.50)	-
Proceeds from issue of equity shares (including share application)	3,626.36	-	-
Finance cost paid	(1,150.48)	(486.01)	(118.94)
Net cash generated from/(used) in financing activities (C)	(853.18)	1,891.35	472.12
Net increase/decrease in cash and cash equivalents ((a) + (b) + (c))	(173.94)	854.81	(513.30)
Cash and cash equivalents at the beginning of the year	957.49	102.68	615.98
Cash and cash equivalents at the end of the year	783.54	957.49	102.68
Components of cash and cash equivalents considered only for the purpose of cash flow statement			
(a) Balance with banks in current accounts	782.19	957.06	102.02
(b) Cash on hand	1.35	0.43	0.66
Total cash and cash equivalents (Refer note no. 16)	783.54	957.49	102.68

Notes:

(a) The restated statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows".

(b) Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given below the Restated Consolidated Financial Information.

GENERAL INFORMATION

Our Company was originally incorporated as 'Pace Power Systems Private Limited', at Bengaluru as a private limited company under the provisions of Companies Act, 1956 and received a certificate of incorporation issued by the RoC on March 01, 2007. Thereafter, pursuant to a Board resolution dated June 29, 2020 and a special resolution passed by the Shareholders of our Company in their meeting on July 3, 2020, the name of our Company was changed to 'Pace Digitek Infra Private Limited', and a fresh certificate of incorporation dated July 24, 2020, was issued to our Company by the RoC. Pursuant to a Board resolution dated May 10, 2024 and a special resolution passed by the Shareholders of our Company in their meeting on May 28, 2024, the name of our Company was changed to 'Pace Digitek Private Limited', and a fresh certificate of incorporation dated July 29, 2024, was issued to our Company by the RoC. Subsequently, our Company got converted into a public limited company pursuant to a Board resolution dated October 16, 2024 and a special resolution passed by the Shareholders of our Company on October 16, 2024, and the name of our Company was changed to its present name, 'Pace Digitek Limited', pursuant to a fresh certificate of incorporation dated November 19, 2024 issued to our Company by the RoC.

Registered and Corporate Office of our Company

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

Pace Digitek Limited

Plot # V – 12 Industrial Estate,
Kumbalgodu, Bengaluru – Mysore Highway,
Bengaluru, Karnataka – 560074, India

Telephone: 080-29547792

E-mail: complianceofficer@pacedigitek.com

Website: www.pacedigitek.com

Company registration number and corporate identity number

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

Company Registration Number: 041949

Corporate Identity Number: U31909KA2007PLC041949

Registrar of Companies

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

Address of the RoC

E' Wing, 2nd Floor, Kendriya Sadana,
Kormangala, Bengaluru – 560 034,
Karnataka, India.

Board of Directors

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

Name	Designation	DIN	Address
Maddisetty Venugopal Rao	Chairman and Managing Director	02070491	No. 09 TUSTI, Amma School Road, 2nd Stage Ullal Main Road, Jnana Bharathi, Bengaluru - 550056
Padma Venugopal Maddisetty	Whole Time Director	02070662	No. 09 TUSTI, Amma School Road, 2nd Stage Ullal Main Road, Jnana Bharathi, Bengaluru - 550056
Rajiv Maddisetty	Whole Time Director	08495070	No. 09 TUSTI, Amma School Road, 2nd Stage Ullal Main Road, Jnana Bharathi, Bengaluru - 550056

Name	Designation	DIN	Address
Om Prakash Mishra	Independent Director	09244477	Flat No.403, Tower No. 04, NCC Urban One, Osman Sagar Road, Manchirevula, Narsingi Hyderabad, Manchirevula, Gandipet, Telangana-500075.
Prabhakar Reddy Patil	Independent Director	00377406	D-212, Raj legacy, LBS Marg Next to Home Town, Vikhroli West Mumbai – 400083
Satishchandra B Ogale	Independent Director	07125244	128/1B, Plot No. 3A, Pushkaraj Shramik Sahakari, Society, Paud Road, Near PNG Showroom, Kothrud, Pune, Maharashtra – 411038.

For brief profiles and further details of our Directors, see ‘*Our Management*’ on page 328.

Company Secretary & Compliance Officer

Meghana M P is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth below:

Meghana M P

Plot # V – 12 Industrial Estate,
Kumbalgodu, Bengaluru – Mysore Highway,
Bengaluru, Karnataka – 560074, India

Telephone: 080-29547792

E-mail: complianceofficer@pacedigitek.com

Investor Grievances

Investors may contact our Company Secretary and Compliance Officer, or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

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

All Issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediaries to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

In terms of the SEBI ICDR Master Circular (to the extent applicable), any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI ICDR Master Circular dated November 11, 2024 (to the extent applicable), SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the BRLM are required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

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

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

Book Running Lead Manager

Unistone Capital Private Limited

A/305, Dynasty Business Park,
Andheri Kurla Road, Andheri East,
Mumbai-400059, Maharashtra, India.

Telephone: +91 022-46046494

E-mail: mb@unistonecapital.com

Investor grievance e-mail: compliance@unistonecapital.com

Website: www.unistonecapital.com

Contact Person: Brijesh Parekh

SEBI Registration No.: INM000012449

CIN: U65999MH2019PTC330850

Statement of inter se allocation of responsibilities

Unistone Capital Private Limited is the sole Book Running Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them.

Syndicate Member

Globalworth Securities Limited

716, Neelkanth Corporate Park,
Kiroli Road, Vidyavihar (West),
Mumbai-400067

Tel: +022 2919 0011

Email: compliance@globalworth.in

Website: www.globalworth.in

Contact Person: Sachin Malde

SEBI Registration Number: IN2000189732

Legal Counsel to the Issue

Bharucha & Partners

13th Floor, Free Press House,
Free Press Journal Marg, Nariman Point
Mumbai - 400 021,
Maharashtra, India.
Tel: +91 22 6132 3900

Statutory Auditors of our Company

SS Kothari Mehta & Co. LLP

Plot No 68, First Floor

Okhla Industrial Area, Phase III,

New Delhi, India – 110020.

Telephone: +91 11-46708888

E-mail: contact@sskmin.com

Firm Registration Number: 000756N

Peer Review Number: 021601

Changes in auditors

Except as disclosed below, there has been no change in the Statutory Auditors of our Company during the last 3 years preceding the date of this Red Herring Prospectus:

Particulars	Date of change	Reasons for change
S S Kothari Mehta & Co. LLP Plot No 68, Okhla Industrial Area, Phase III New Delhi, India – 110020. Telephone: +91 11-46708888 E-mail: contact@sskmin.com Firm Registration Number: 000756N/N500441 Peer Review Number: 014441	Appointed on November 18, 2024	Appointment due to vacancy.
Manish P C Jain & Co No. 893, Ground Floor, 16 th Main Road, 3 rd Block, Rajajinagar, Bengaluru, Karnataka, India – 560010. Telephone: +91 9886973013 E-mail: ca.manish.gurliya@gmail.com Firm Registration Number: 026187S Peer Review Number: NA	Resigned on October 25, 2024	The firm was not peer reviewed which caused the resignation.
Manish P C Jain & Co No. 893, Ground Floor, 16 th Main Road, 3 rd Block, Rajajinagar, Bengaluru, Karnataka, India – 560027. Telephone: +91 9886973013 E-mail: ca.manish.gurliya@gmail.com Firm Registration Number: 026187S Peer Review Number: NA	Appointed on April 01, 2023 for a term of 5 years.	Appointment due to vacancy.
Manish & Rohit No. 24/1, 7 th Cross, 4 th Main Road, Sampangiramnagar, Bengaluru, Karnataka, India – 560027. Telephone: +91 9886973013 E-mail: ca.manish.rohit@gmail.com Firm Registration Number: 015347S Peer Review Number: NA	Resigned on July 01, 2023	The partnership firm was in the process of dissolution, resulting in internal arrangement between the partners relating to the audits of Company to be conducted by Manish Jain, one of the partners of the firm.
Manish & Rohit No. 24/1, 7 th Cross, 4 th Main Road, Sampangiramnagar, Bengaluru, Karnataka, India – 560027. Telephone: +91 9886973013 E-mail: ca.manish.rohit@gmail.com Firm Registration Number: 015347S Peer Review Number: NA	Appointed on April 01, 2022	Appointment due to vacancy.

Registrar to the Issue

MUFG Intime India Private Limited (formerly Link Intime India Private Limited)

C-101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai - 400 083
Maharashtra, India

Telephone: +91 810 811 4949

E-mail: pacedigitek.ipo@in.mpms.mufig.com

Website: www.mpms.mufig.com

Investor grievance e-mail: pacedigitek.ipo@in.mpms.mufig.com

Contact Person: Shanti Gopalkrishnan

SEBI Registration No.: INR000004058

Banker to the Issue

Escrow Collection Bank, Refund Bank and Sponsor Bank

Kotak Mahindra Bank Limited

Intellion Square, 501, 5th Floor, A Wing,
Infinity IT Park, Gen. A.K. Vaidya Marg,
Malad – East, Mumbai 400097

Tel: 022-66056603

E-mail: cmsipo.kotak.com

Website: www.kotak.com

Contact Person: Siddhesh Shirodhkar

SEBI Registration Number: INBI00000927

Corporate Identity Number (CIN): L65110MH1985PLC038137

Public Issue Account Bank and Sponsor Bank

HDFC Bank Limited

FIG- OPS Department- Lodha, I Think Techno Campus O-3 Level,
Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai - 400042
Maharashtra.

Tel: +91 22 30752927/28/2914

E-mail: siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com, eric.bacha@hdfcbank.com,
tushar.gavankar@hdfcbank.com, pravin.teli2@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Eric Bacha/ Sachin Gawade / Pravin Teli / Siddharth Jadhav / Tushar Gavankar

SEBI Registration Number: INBI00000063

Corporate Identity Number (CIN): L65920MH1994PLC080618

Bankers to our Company

ICICI Bank Limited

Address: Trade & Wealth Management,
Jayanagar 3rd Block, Bengaluru,
Karnataka – 560011.

Telephone: +91-7260947557

Email: Purushottam.f@icicibank.com

Website: https://www.icicibank.com/

Contact Person: Purushottam. F

Canara Bank Limited

Address: Large Corporate Branch – I
Ramanashree Arcade, 3rd Floor
M G Road, Bangalore, Karnataka
Karnataka – 560011.

Telephone: 080-25591844

Email: cb2636@canarabank.com
Website: <https://www.canarabank.com/>
Contact Person: J Sheeba Nair

Designated Intermediaries

Self-Certified Syndicate Banks

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

Syndicate SCSB Branches

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

SCSBs and mobile applications enabled for UPI Mechanism

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

Registered Brokers

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

Registrar and Share Transfer Agents

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

Collecting Depository Participants

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

Experts

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

Our Company has received written consent dated September 8, 2025, from our Statutory Auditors namely, S S Kothari Mehta & Co. LLP, Chartered Accountants holding a valid peer review certificate from ICAI to include their name as 'expert' as required under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report dated August 30, 2025 on our Restated Consolidated Financial Information; and the statement of special tax benefits dated September 8, 2025, included in this Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under Securities Act.

Our Company has received written consent dated September 19, 2025 from DMP & Associates, the practicing Company Secretary, to include its name as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as practicing Company Secretary and in respect of the certificate dated September 19, 2025 issued by it in connection with the *inter alia* due diligence of corporate and statutory records of the Company and such consent has not been withdrawn as of the date of this Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated September 19, 2025 from Arimbur Kunjipallu Rappai, the Independent Chartered Engineer, to include their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered accountant and in respect of the certificate dated September 19, 2025 issued by it in connection with the *inter alia* capacity utilization and estimated cost and such consent has not been withdrawn as of the date of this Red Herring Prospectus. The term 'expert' shall be not construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated September 19, 2025 from M/s MRKS and Associates, the Independent Chartered Accountant, to include their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered accountant and in respect of the certificates dated September 19, 2025 issued by it in connection with *inter alia* certain financial and operational data included in this Red Herring Prospectus and such consent has not been withdrawn as of the date of this Red Herring Prospectus. The term 'expert' shall be not construed to mean an 'expert' as defined under U.S. Securities Act.

Monitoring Agency

Our Company shall in compliance with Regulation 41 of the SEBI ICDR Regulations, has appointed Crisil Ratings Limited as the Monitoring Agency, for monitoring the utilization of the Gross Proceeds. For further details in relation to the proposed utilisation of the Net Proceeds, see '*Objects of the Issue*' on page 142. Details of the Monitoring Agency are set out below:

Name: Crisil Ratings Limited
Lightbridge IT Park, Saki Vihar Road,
Andheri East, Mumbai 400 072
Tel: +91 22 6137 3000
Email: crisilratingdesk@crisil.com
Website: www.crisilratings.com
Contact Person: Shounak Chakravarty
SEBI Registration Number: IN/CRA/001/1999

Appraising Entity

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

Grading of the Issue

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

Credit Rating

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

Debenture Trustees

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

Green Shoe Option

No green shoe option is contemplated under the Issue.

Filing of the DRHP

A copy of the Draft Red Herring Prospectus was filed electronically through the SEBI intermediary portal at <https://siportal.sebi.gov.in/intermediary/index.html>, as required under Regulation 25(8) of the SEBI ICDR Regulations and in accordance with the SEBI ICDR Master Circular.

It was also filed with the SEBI at the following address:

Securities and Exchange Board of India

SEBI Head Office

SEBI Bhavan Plot No. C4-A

“G” Block Bandra Kurla Complex

Bandra (East) Mumbai – 400 051

Maharashtra, India

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

Book Building Process

Book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of this Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band which will be decided by our Company in consultation with the BRLM, and will be advertised in all editions of Business Standard (a widely circulated English national daily newspaper) and all editions of Business Standard (a widely circulated Hindi national daily newspaper) and all editions of Vishwavani (a widely circulated Kannada regional daily newspaper, Kannada being the regional language of Bengaluru, Karnataka where our Registered Office is located), at least 2 Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Issue Price shall be determined by our Company in consultation with the BRLM after the Bid/Issue Closing Date. For further details, see ‘*Issue Procedure*’ on page 520.

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

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

For further details on the method and procedure for Bidding and book building procedure, see ‘*Terms of the Issue*’, ‘*Issue Structure*’ and ‘*Issue Procedure*’ on page 513, 540 and 520.

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

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

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

Underwriting Agreement

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

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

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

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

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

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

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

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

CAPITAL STRUCTURE

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

(in ₹ million, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price*
A	AUTHORISED SHARE CAPITAL		
	460,000,000 Equity Shares of face value of ₹ 2 each	920.00	-
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	178,442,280 Equity Shares of face value of ₹ 2 each	356.88	[●]
C	PRESENT ISSUE		
	Issue of up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 8,191.48 million ⁽¹⁾	[●]	[●]*
	<i>Of which:</i>		
	Fresh Issue of up to [●] Equity Shares of ₹ [●] each aggregating up to ₹ 8,191.48 million ⁽¹⁾⁽²⁾	[●]	[●]
	Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹ 20.00 million ⁽³⁾	[●]	[●]
	Net Issue of up to [●] Equity Shares aggregating up to ₹ 8,171.48 million	[●]	[●]
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE		
	[●] Equity Shares of face value ₹ 2 each*	[●]	[●]
E	SECURITIES PREMIUM ACCOUNT		
	Before the Issue		3,319.48
	After the Issue*		[●]

*To be included upon finalization of the Issue Price.

- (1) The Fresh Issue has been authorised by our Board pursuant to its resolution dated February 1, 2025 and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution dated February 1, 2025.
- (2) Our Company may, in consultation with the BRLM, offer a discount of up to [●]% of the Issue Price (equivalent of ₹ [●] per Equity Share) to the Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which shall be announced at least 2 Working Days prior to the Bid / Issue Opening Date.

For details of changes to our authorised share capital in the past 10 years, please see 'History and Certain Corporate Matters - Amendments to the Memorandum of Association in the last 10 years' on page 316.

(Remainder of this page has been intentionally left blank)

Notes to the Capital Structure

1. Equity Share capital history of our Company

Primary issuance of Equity Shares

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

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
March 01, 2007	10,000	Subscription to Memorandum of Association by issuance of (i) 5,000 Equity Shares to Maddisetty Venugopal Rao; and (ii) 5,000 Equity Shares to M. Padma.	2	10	10	Cash	Initial Subscription to the Memorandum of Association	10,000	100,000
December 14, 2009	190,100	Allotment of (i) 95,100 Equity Shares to M. Venugopal Rao; and (ii) 95,000 Equity Shares to M. Padma.	2	10	10	Cash	Further Issue	200,100	2,001,000
March 17, 2010	100,000	Allotment of (i) 50,000 Equity Shares to Master M. Rajiv (minor – represented by father and natural guardian Maddisetty Venugopal Rao); and (ii) 50,000 Equity Shares to M. Lahari (minor – represented by father and natural guardian Maddisetty Venugopal Rao).	2	10	10	Cash	Further Issue	300,100	3,001,000
March 25, 2010	1,800,600	Allotment of (i) 600,600 Equity Shares to Maddisetty Venugopal Rao; (ii) 600,000 Equity Shares to Padma Maddisetty; (iii) 300,000 Equity Shares to Rajiv Maddisetty (minor – represented by father and natural guardian Maddisetty Venugopal Rao); and (iv) 300,000 Equity Shares to Lahari Maddisetty (minor – represented by father and	4	10	NA	NA	Bonus Issue in the ratio of 6 Equity Shares for 1 existing Equity Share held.	2,100,700	21,007,000

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		natural guardian Maddisetty Venugopal Rao).							
December 9, 2015	2,899,300	Allotment of (i) 967,077 Equity Shares to Maddisetty Venugopal Rao; (ii) 966,111 Equity Shares to Padma Maddisetty; (iii) 483,056 Equity Shares to Rajiv Maddisetty; and (iv) 483,056 Equity Shares to Lahari Maddisetty.	4	10	NA	NA	Bonus Issue in the ratio of 1.380 Equity Shares for 1 existing Equity Share held.	5,000,000	50,000,000
August 1, 2024	119,050	Allotment of (i) 7,142 Equity Shares to Mangal Keshav Capital Limited; (ii) 2,500 Equity Shares to Neha Kamal Shah; (iii) 10,800 Equity Shares to Mehul Hiralal Gandhi; (iv) 5,000 Equity Shares to Krupa Prashantkumar Mehta; (v) 7,142 Equity Shares to Deven Mahendrakumar Shah; (vi) 11,904 Equity Shares to Manish Kumar Jain; (vii) 11,904 Equity Shares to Saumik Ketankumar Doshi; (viii) 4,166 Equity Shares to Dhanvin Wealth Max Private Limited; (ix) 3,600 Equity Shares to Naresh Saraaf; (x) 2,380 Equity Shares to Rupal Piyush Avlani; (xi) 4,150 Equity Shares to Skyline Retailer LLP; (xii) 9,523 Equity Shares to Multiplier Share and Stock Advisors Private Limited; (xiii) 11,904 Equity Shares to Marwadi Chandarana Intermediaries Brokers Private Limited; (xiv) 4,800 Equity Shares to Prajal Bhandari; (xv) 1,190 Equity Shares to Bhavin Hasmukhbhai Mehta; (xvi) 1,800 Equity Shares to Sapna Devang Shah; (xvii)	21	10	4,200	Cash	Private Placement	5,119,050	51,190,500

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		9,500 Equity Shares to Chiragkumar B. Limbasiya; (xviii) 1,785 Equity Shares to Niranjana Hiteshbhai Mehta; (xix) 2,380 Equity Shares to Sukrut Advisors LLP; (xx) 2,380 Equity Shares to Manish Upendra Shanghvi; and (xxi) 3,100 Equity Shares to Dhruvil Nimesh Joshi.							
August 27, 2024	119,050	Allotment of (i) 1,190 Equity Shares to Nensi Vicky Datraniya; (ii) 1,190 Equity Shares to Silki Ketan Doshi; (iii) 3,000 Equity Shares to Dhanvin Wealth Max Private Limited; (iv) 1,190 Equity Shares to M/S. Antara Capital Through its Partners - Mr. Vatshal Avnish Jhaveri and Mr. Sanish Mahesh Shah; (v) 767 Equity Shares to Kanta Jain; (vi) 900 Equity Shares to Nitin Sukhlal Sheth; (vii) 4,761 Equity Shares to Janvi Lgd Private Limited; (viii) 1,200 Equity Shares to Bhavna Jitendra Khandol; (ix) 1,200 Equity Shares to Keval Jitendra Khandol; (x) 2,400 Equity Shares to Suresh Ujamshi Trevadia; (xi) 1,000 Equity Shares to Amita Naresh Shroff; (xii) 1,000 Equity Shares to Naresh J Shroff HUF; (xiii) 2,400 Equity Shares to Manish Harshad Trevadia; (xiv) 1,190 Equity Shares to Ronak Anandkumar Jain; (xv) 1,200 Equity Shares to Disha Jayesh Sheth; (xvi) 1,200 Equity Shares to Amey Ajaybhai Sheth; (xvii) 14,864 Equity Shares to	32	10	4,200	Cash	Private Placement	5,238,100	52,381,000

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Tejas Bharat Shah HUF; (xviii) 1,200 Equity Shares to Sonal Ashok Dungani; (xix) 2,400 Equity Shares to Varsha Vaibhav Sanghvi; (xx) 7,142 Equity Shares to Swell Exports Private Limited; and (xxi) 15,000 Equity Shares to Viksit Advisory LLP; (xxi) 16,500 Equity Shares to Dvankarr Infotech Private Limited; (xxii) 4,762 Equity Shares to Viney Equity Market LLP; (xxii) 2,381 Equity Shares to Dhanacharya Advisors LLP; (xxiv) 4,00 Equity Shares to Shitu Gupta; (xxv) 500 Equity Shares to Prabodh Gupta; (xxvi) 4,400 Equity Shares to Amrc Ventures LLP; (xxvii) 1,933 Equity Shares to Abhay D Shah; (xxviii) 1,200 Equity Shares to Divyanshu Aggarwal; (xxix) 2,600 Equity Shares to Kk Securities Limited; (xxx) 4,780 Equity Shares to Nilamben Kiritbhai Shah; (xxxi) 1,200 Equity Shares to Sahil Ashwin Zota; and (xxxii) 12,000 Equity Shares to Chhatisgarh Investments Limited.							
September 18, 2024	340,926	Allotment of (i) 900 Equity Shares to Nitin Sukhlal Sheth; (ii) 1,200 Equity Shares to Sahil Ashwin Zota; (iii) 1,200 Equity Shares to Bhavna Jitendra Khandol; (iv) 1,200 Equity Shares to Keval Jitendra Khandol; (v) 1,043 Equity Shares to Abhay D Shah; (vi) 5,500 Equity Shares to Viksit Advisory LLP; (vii) 7,200 Equity Shares to	51	10	4,200	Cash	Private Placement	5,579,026	55,790,260

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Dravya Savjibhai Dholakiya; (viii) 12,000 Equity Shares to SB Opportunities Fund I; (ix) 2,381 Equity Shares to V Kavitha Bhandari; (x) 1,191 Equity Shares to Janeel D Vora; (xi) 12,000 Equity Shares to Minerva Ventures Fund; (xii) 23,810 Equity Shares to Dhairya Dhiraj Shah; (xiii) 2,381 Equity Shares to Rohan Bhandari; (xiv) 5,000 Equity Shares to Mukesh Kumar Singh; (xv) 82,000 Equity Shares to NVS Corporate Consultancy Services Private Limited; (xvi) 2,142 Equity Shares to Hitanshu Chimanlal Mehta; (xvii) 2,380 Equity Shares to Prakash Kumar Chandnani; (xviii) 1,200 Equity Shares to Rasiklal Nyalchand Mehta; (xix) 600 Equity Shares to Pranay Jain; (xx) 1,200 Equity Shares to Jayantilal K Sheth HUF; and (xxi) 1,200 Equity Shares to Bharat Khimji Sheth HUF; (xxii) 600 Equity Shares to Nishank N Sheth; (xxiii) 600 Equity Shares to Vatsal N Sheth; (xxiv) 6,905 Equity Shares to Shailesh Haran; (xxv) 1,200 Equity Shares to Nirav Hasmukh Sheth; (xxvi) 5,000 Equity Shares to Oruganti Subbarami Reddy; (xxvii) 50 Equity Shares to Sunil Jayam; (xxviii) 126 Equity Shares to Sathya Seelan T; (xxix) 5,953 Equity Shares to Surekha Haran; (xxx) 25 Equity Shares to Dinesh Kumar Yadav; and (xxxi)							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		4,762 Equity Shares to Red Soil Partners LLP; (xxxii) 101 Equity Shares to K R Prasanna; (xxxiii) 84 Equity Shares to Basavaraja B R; (xxxiv) 2,380 Equity Shares to Girish Kumar Parashar; (xxxv) 300 Equity Shares to Alok Singhal; (xxxvi) 1,000 Equity Shares to Naresh Jaiprakash Shroff; (xxxvii) 7,000 Equity Shares to Dhiraj Balakrishnan Padiyath; (xxxviii) 25 Equity Shares to Prafull Ranjan Singh; (xxxix) 50 Equity Shares to Surajit Khan; (xl) 238 Equity Shares to Saurabh Rao HUF; (xli) 11 Equity Shares to Praveen Shashidhar Hebbalkar; (xlii) 10,000 Equity Shares to Vipul Deepak Shah; (xliii) 1,190 Equity Shares to Mummadi Veera Venkata Satyanarayana; (xliv) 116,666 Equity Shares to G K Tobacco Industries Private Limited; (xlv) 2,380 Equity Shares to Prakash Gourishankar Jhunjhunwala; (xlvi) 2,380 Equity Shares to Udaya Sandhya Ragireddi; (xlvii) 50 Equity Shares to P. Rajavendhan; (xlviii) 50 Equity Shares to S N Devegowda; (xlix) 25 Equity Shares to Dambahalli Eranna Kumar; (l) 2,857 Equity Shares to Raja Venkat Gopu; and (li) 1,190 Equity Shares to Varun Agarwal.							
October 11, 2024	250,000	Allotment of (i) 1,904 Equity Shares to Geeta Shivaji Mashale; (ii) 50 Equity Shares to Shanmukh Mattihalli	48	10	4,200	Cash	Private Placement	5,829,026	58,290,260

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Chanabasappa; (iii) 3,600 Equity Shares to Roopal H Kawa; (iv) 6,804 Equity Shares to Simony Mewar; (v) 19,621 Equity Shares to Nitin Parakh; (vi) 29 Equity Shares to Mary Gonsalves; (vii) 238 Equity Shares to Mudduluru Dheeraj Varma; (viii) 46,942 Equity Shares to NVS Corporate Consultancy Services Private Limited; (ix) 2,390 Equity Shares to Ami Niraj Shah; (x) 2,378 Equity Shares to Saint Capital Fund ⁽¹⁾ ; (xi) 476 Equity Shares to Udaya Sandhya Ragireddy; (xii) 500 Equity Shares to Alka Deepak Shah; (xiii) 2,738 Equity Shares to Sitaramaiah Malladi; (xiv) 12 Equity Shares to Dayanand L Kumbhar; (xv) 3,095 Equity Shares to Saran Kumar Uppalapati; (xvi) 3,571 Equity Shares to Anugolu Venkata Ratnam; (xvii) 4,762 Equity Shares to Gudapu Reddy Sreedar Reddy; (xviii) 3,571 Equity Shares to Sharda Subhashchandra Bhat; (xix) 3,476 Equity Shares to Sivaji Ganesh Eluganti; (xx) 2,380 Equity Shares to Alamuri Megha Gupta; and (xxi) 1,190 Equity Shares to Varre Nagini; (xxii) 850 Equity Shares to Turaga Jayasyamala; (xxiii) 95 Equity Shares to Mr Bhaskara Rao Y; (xxiv) 1,190 Equity Shares to Varun Agarwal; (xxv) 12,500 Equity Shares to Bondada Green Engineering Private Limited; (xxvi)							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		2,381 Equity Shares to Chaitanya Muppala; (xxvii) 4,761 Equity Shares to Nirag ventures LLP; (xxviii) 4,761 Equity Shares to Ashvi ventures LLP; (xxix) 2,380 Equity Shares to Jayant Shamji Chhedda; (xxx) 39,500 Equity Shares to Nova Global Opportunities Fund PCC ⁽¹⁾ ; and (xxxi) 12 Equity Shares to Pudur Ethiraj Devaraj; (xxxii) 24 Equity Shares to Balasabarinath Manian; (xxxiii) 12 Equity Shares to Sanket Sukhdeo Mhaske; (xxxiv) 174 Equity Shares to Veerapandiyar Vikraman; (xxxv) 125 Equity Shares to Manjunath B K; (xxxvi) 25 Equity Shares to Bommachanahalli Shivanna Manju; (xxxvii) 24 Equity Shares to Trilok Chandar A M; (xxxviii) 75 Equity Shares to Nagaraju M; (xxxix) 476 Equity Shares to Harshitha S Kumar; (xl) 108 Equity Shares to Praveen Shashidhar Hebbalkar; (xli) 4,780 Equity Shares to Anshul Laxkar; (xlii) 2,142 Equity Shares to Pranjal Corporate Service Private Limited; (xliii) 47,619 Equity Shares to Compact Structure Fund; (xliv) 2,380 Equity Shares to Shreya Nishil Marfatia; (xlv) 2,380 Equity Shares to Deepansh Mathur; (xlvi) 9,523 Equity Shares to Dvankarr Infotech Private Limited; (xlvii) 1,738 Equity Shares to Kunwar Rizwan; and (xlviii) 238 Equity Shares							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		to Slesha Uttam Mane.							
Equity Shares of face value of ₹ 10 each of our Company were sub-divided into Equity Shares of face value of ₹ 2 each. Consequently, the issued, subscribed, and paid-up share capital of our Company comprising 5,829,026 Equity Shares of face value of ₹ 10 each was sub-divided into 29,145,130 Equity Shares of face value of ₹ 2 each authorised by our Board pursuant to the resolution at its meeting held on October 16, 2024 and Shareholders pursuant to the special resolution at their meeting held on October 16, 2024.									
January 17, 2025	595,250	Allotment of (i) 20,000 Equity shares to M/s. Dream Deal Enterprise through its Partners - Prakash Thakkar (ii) 5,625 Equity shares to Ronak Anandkumar Jain (iii) 12,500 Equity Shares to Kiritbhai Manubhai Shah (iv) 6,000 Equity Shares to Trupti Paras Mehta (v) 5,500 Equity shares to Shreyans Chandrkant Sanghvi (vi) 12,000 Equity shares to Kamlesh Chamanlal Chandura HUF (vii) 307,290 Equity shares to NVS Corporate Consultancy Services Private Limited (viii) 7,500 Equity shares to Patwa Shailesh (ix) 18,047 Equity shares to Rachana Ketan (x) 7,500 Equity shares to Smit Mahesh Mehta (xi) 29,761 Equity shares to MI Lifestyle Marketing Global Pvt Ltd (xii) 5,000 Equity shares to Rushabh Navinbhai Shah (xiii) 2,500 Equity shares to Rekha Rani (xiv) 25,000 Equity shares to Saurav Raidani (xv) 12,000 Equity shares to Anand Mahendra Shah (xvi) 6,000 Equity shares to Vijay Jayantilal Sanghavi (xvii) 6,000 Equity shares to Akshay Rajeshkumar Khandor (xviii) 5,800 Equity shares to Naresh Jaiprakash Shroff (xix) 83,323 Equity	21	2	840	Cash	Private Placement	29,740,380	59,480,760

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		shares to Dovetail Global Fund PCC All Seasons India Opportunities Fund ⁽³⁾ (xx) 11,904 Equity shares to Ajay Sangani (xxi) 6,000 Equity shares to Kushal Ruparel.							
February 3, 2025	148,701,900	Allotment of (i) 41,694,425 Equity Shares to Maddisetty Venugopal Rao; (ii) 41,652,775 Equity Shares to Padma Venugopal Maddisetty; (iii) 20,826,400 Equity Shares to Rajiv Maddisetty; (iv) 20,826,400 Equity Shares to Lahari Maddisetty; (v) 1,190,475 Equity Shares to Compact Structure Fund; (vi) 987,500 Equity Shares to Nova Global Opportunities Fund PCC – Touchstone ⁽¹⁾ ; (vii) 416,615 Equity Shares to Dovetail Global Fund PCC All Seasons India Opportunities Fund ⁽³⁾ ; (viii) 300,000 Equity Shares to Minerva Ventures Fund; (ix) 300,000 Equity Shares to SB Opportunities Fund I; (x) 297,600 Equity Shares to Marwadi Chandarana Intermediaries Brokers Private Limited (xi) 271,740 Equity Shares to Mint Investments Limited (xii) 271,740 Equity Shares to Dhunseri Investments Limited (xiii) 250,000 Equity Shares to Saket Agarwal (xiv) 175,000 Equity Shares to Dhiraj Balakrishnan Padiyath (xv) 172,625 Equity Shares to Shailesh Haran (xvi) 170,100 Equity Shares to Simony Mewar (xvii) 165,000 Equity Shares to	342	2	NA	NA	Bonus Issue in the ratio of 5 Equity Shares for 1 existing Equity Share held.	178,442,280	356,884,560

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Harulika Ventures LLP (xviii) 160,710 Equity Shares to Tradelink Exim India Private Limited (xix) 148,825 Equity Shares to Surekha Haran (xx) 125,000 Equity Shares to Mukesh Kumar Singh (xxi) 125,000 Equity Shares to Oruganti Subbarami Reddy (xxii) 125,000 Equity Shares to Manju Singhi (xxiii) 125,000 Equity Shares to Absolute Returns Scheme (xxiv) 119,050 Equity Shares to Sreedar Reddy G (xxv) 119,050 Equity Shares to Viney Equity Market LLP (xxvi) 108,700 Equity Shares to Vandana Divyesh Shah (xxvii) 100,000 Equity Shares to Prakash Bhikhabhai Thakkar (xxviii) 90,235 Equity Shares to Rachana Ketan Kakrecha (xxix) 89,275 Equity Shares to Sharda Subhashchandra Bhat (xxx) 84,700 Equity Shares to Planify Capital Limited (xxxi) 77,375 Equity Shares to Saran Kumar Uppalapati (xxxii) 71,425 Equity Shares to Raja Venkat Gopu (xxxiii) 59,525 Equity Shares to Chaitanya Muppala (xxxiv) 59,520 Equity Shares to Ajaykumar Natavarlal Sangani (xxxv) 59,500 Equity Shares to Deepansh Mathur (xxxvi) 59,500 Equity Shares to Varun Agarwal (xxxvii) 59,450 Equity Shares to Saint Capital Fund ⁽¹⁾ (xxxviii) 57,875 Equity Shares to Ronak Anandkumar Jain (xxxix) 57,500 Equity Shares to Dhirajlal							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Amrutlal Amlani (xl) 57,500 Equity Shares to Kusum Poddar (xli) 56,250 Equity Shares to Niraj Dhanraj Chhajjer (xlii) 55,000 Equity Shares to Yashwant Vaswani (xliii) 55,000 Equity Shares to Sveltetech Technologies Private Limited (xliv) 55,000 Equity Shares to Kapil Ahuja (xlv) 55,000 Equity Shares to Anjali Agrawal (xlvi) 53,550 Equity Shares to Pranjal Corporate Service Private Limited (xlvii) 53,125 Equity Shares to Amit Jain (xlviii) 50,000 Equity Shares to Padmakshi Capital Private Limited (xlix) 47,500 Equity Shares to Sunil Kumar Gupta (l) 45,000 Equity Shares to K K Securities Limited (li) 41,665 Equity Shares to Siddharth Agarwal (lii) 41,250 Equity Shares to Vikash Gupta (liii) 41,250 Equity Shares to Monika Choudhary (liv) 41,250 Equity Shares to Rajat Goel (lv) 40,000 Equity Shares to Mukesh Jain HUF (lvi) 38,125 Equity Shares to Manthan Vinubhai Sheta (lvii) 37,500 Equity Shares to Prakashbhai Laljibhai Koladiya (lviii) 37,500 Equity Shares to Sandip Jagdishbhai Koladiya (lix) 37,500 Equity Shares to Phronesis Capital Limited (lx) 37,500 Equity Shares to Bhavin Rameshchandra Parekh (lxi) 35,000 Equity Shares to Lekhya Entertainment Pvt Ltd (lxii) 35,000 Equity Shares to Lavin C							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Thadani (lxiii) 30,000 Equity Shares to Sonal Ashok Kumar Dungani (lxiv) 30,000 Equity Shares to Akshay Rajesh Khandor (lxv) 30,000 Equity Shares to Jayantilal Khimji Sheth (lxvi) 30,000 Equity Shares to Bharat Khimji Sheth (lxvii) 30,000 Equity Shares to Kaushal Bharat Ruparel (lxviii) 30,000 Equity Shares to Mansi Dua (lxix) 30,000 Equity Shares to Nirav Hasmukhlal Sheth (lxx) 27,500 Equity Shares to Asha Singhania (lxxi) 27,500 Equity Shares to Bhupesh Garg (lxxii) 27,500 Equity Shares to Rajiv Jaswani (lxxiii) 27,170 Equity Shares to Sharad Rasiklal Shah (lxxiv) 27,170 Equity Shares to Samisti Biz Consultants LLP (lxxv) 21,760 Equity Shares to Kaushik Narottam Soni (lxxvi) 19,175 Equity Shares to Kanta Jain (lxxvii) 15,000 Equity Shares to Anmol Equities Private Limited (lxxviii) 13,585 Equity Shares to Ankitkumar Arvindkumar Jain (lxxix) 12,500 Equity Shares to Alka Deepak Shah (lxxx) 12,500 Equity Shares to Mehul Jitendra Dekhtawala (lxxxi) 11,900 Equity Shares to Harshitha S Kumar (lxxxii) 11,875 Equity Shares to Manmohan Chauhan (lxxxiii) 11,250 Equity Shares to Sharat Kumar (lxxxiv) 10,375 Equity Shares to Growfast Securities and Credit Private Limited (lxxxv) 10,000 Equity Shares to							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Dinesh Chunilal Khandor (lxxxvi) 10,000 Equity Shares to Vinay Dharamchand Shah (lxxxvii) 6,875 Equity Shares to Paresh Babulal Gandhi (lxxxviii) 6,250 Equity Shares to Jayna Rahul Chokshi (lxxxix) 5,950 Equity Shares to Slesha Uttam Mane (xc) 5,950 Equity Shares to Mudduluru Dheeraj Varma (xci) 5,950 Equity Shares to Saurabh Rao HUF (xcii) 5,500 Equity Shares to Kartik (xciii) 5,500 Equity Shares to Padmanabh S Deshpande (xciv) 5,500 Equity Shares to Prabhudev B J (xcv) 5,500 Equity Shares to Giridhar Rama Kotian (xcvi) 5,375 Equity Shares to Devshi Lakhamshi Dedhia (xcvii) 5,000 Equity Shares to Deepa Anjan Telisara (xcviii) 5,000 Equity Shares to Shitu Gupta (xcix) 5,000 Equity Shares to Amit Kumar Goyal (c) 5,000 Equity Shares to Crystal Varshney (ci) 5,000 Equity Shares to Geetika Chadha (cii) 5,000 Equity Shares to Karan Kishor Ghai (ciii) 4,750 Equity Shares to Stella Rajan (civ) 4,750 Equity Shares to Genevieve Innocencia Jasmine Rego (cv) 4,750 Equity Shares to Amit Girdhar (cvi) 4,750 Equity Shares to Renu Chandna (cvii) 3,150 Equity Shares to Thiyagarajan Sathiyaseelan (cviii) 3,000 Equity Shares to Izuz Consultancy Private Limited (cix) 2,800 Equity Shares to							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Shruti Dimri (cx) 2,525 Equity Shares to K R Prasanna (cxi) 2,500 Equity Shares to Saurabh Gupta (cxii) 2,500 Equity Shares to Divya Gupta (cxiii) 2,500 Equity Shares to Vishal N Joishar (cxiv) 2,250 Equity Shares to Subhash Bhosle HUF (cxv) 1,875 Equity Shares to Nagaraju M (cxvi) 1,250 Equity Shares to Surajit Khan (cxvii) 1,250 Equity Shares to P Rajavendhan (cxviii) 625 Equity Shares to Prafull Ranjan Singh (cxix) 625 Equity Shares to Dinesh Kumar Yadav (cxx) 600 Equity Shares to Trilok Chandar A M (cxxi) 500 Equity Shares to Shisha Life Private Limited (cxxii) 500 Equity Shares to Kriti Bindal (cxxiii) 300 Equity Shares to Dayanand L Kumbhar (cxxiv) 2,916,650 Equity Shares to G K Tobacco Industries Private Limited (cxxv) 10,06,105 Equity Shares to NVS Corporate Consultancy Services Pvt. Ltd. (cxxvi) 490,525 Equity Shares to Nitin Parakh (cxxvii) 312,500 Equity Shares to Bondada Green Engineering Private (cxxviii) 308,850 Equity Shares to Viksit Advisory LLP (cxxix) 297,600 Equity Shares to Saumik Ketan Doshi (cxxx) 297,600 Equity Shares to Manishkumar Jain (cxxx) 270,000 Equity Shares to Mehul Hiralal Gandhi (cxxxii) 250,000 Equity Shares to Vipul Deepak Shah (cxxxiii) 238,075 Equity							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Shares to Multiplier Share & Stock Advisors Pvt Ltd (cxxxiv) 180,000 Equity Shares to Bhaijee Portfolio Private Limited (cxxxv) 180,000 Equity Shares to Dravya S Dholakia (cxxxvi) 179,150 Equity Shares to Dhanvin Wealth Max Private Limited (cxxxvii) 178,550 Equity Shares to Mangal Keshav Capital Limited (cxxxviii) 178,550 Equity Shares to Deven M Shah (cxxxix) 148,805 Equity Shares to MI Lifestyle Marketing Global Private Limited (cxl) 125,000 Equity Shares to Saurav Raidhani (cxli) 125,000 Equity Shares to Krupa Prashant Mehta (cxlii) 119,500 Equity Shares to Anshul Laxkar (cxliii) 119,050 Equity Shares to Red Soil Partners LLP (cxliv) 119,025 Equity Shares to Ashvi Ventures LLP (cxlv) 119,025 Equity Shares to Janvi LGD Private Limited (cxlvi) 112,500 Equity Shares to Rakesh Laroia (cxlvii) 104,025 Equity Shares to Nirag Ventures LLP (cxlviii) 103,750 Equity Shares to Skyline Retailer (cxlix) 90,000 Equity Shares to Roopal Hitesh Kawa (cl) 90,000 Equity Shares to Naresh Saraaf (cli) 89,275 Equity Shares to Anugolu Venkata Ratnam (clii) 86,900 Equity Shares to Sivaji Ganesh Eluganti (cliii) 81,525 Equity Shares to Vatsal Vijay Shah (cliv) 81,525 Equity Shares to Sanjay Babulal Shah (clv) 75,000							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Equity Shares to Meeta Chetan Thakkar (clvi) 74,400 Equity Shares to Abhay D Shah (clvii) 71,400 Equity Shares to Udaya Sandhya Ragireddy (clviii) 68,450 Equity Shares to Sitaramaiah Malladi (clix) 62,500 Equity Shares to Kiritbhai Manubhai Shah (clx) 62,500 Equity Shares to Vijay Kumar Pahwa (clxi) 62,500 Equity Shares to Neha Kamal Shah (clxii) 62,455 Equity Shares to Tecknopoint Mercantile Co Private Limited (clxiii) 60,000 Equity Shares to Manish Harshadrai Trevadia (clxiv) 60,000 Equity Shares to Suresh Ujamshi Trevadia (clxv) 60,000 Equity Shares to Sahil Ashwin Zota (clxvi) 60,000 Equity Shares to Anand Mahendrabhai Shah (clxvii) 60,000 Equity Shares to Kamlesh Chamanlal Chandura (HUF) (clxviii) 60,000 Equity Shares to Varsha Vaibhav Sanghvi (clxix) 60,000 Equity Shares to Bhavna Jitendra Khandol (clxx) 60,000 Equity Shares to Keval Jitendra Khandol (clxxi) 59,750 Equity Shares to Ami Niraj Shah (clxxii) 59,525 Equity Shares to Rohan Bhandari (clxxiii) 59,525 Equity Shares to Kavita Bhandari (clxxiv) 59,500 Equity Shares to Jayant Shamji Chheda (clxxv) 59,500 Equity Shares to Shreya Nishil Marfatia (clxxvi) 59,500 Equity Shares to Prakash Kumar Chandnani (clxxvii) 59,500 Equity Shares to							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Prakash Gourisankar Jhunjhunwala (clxxviii) 59,500 Equity Shares to Rupal Piyush Avlani (clxxix) 59,500 Equity Shares to Manish Upendra Shanghvi (clxxx) 59,500 Equity Shares to Megha Gupta Alamuri (clxxxi) 59,500 Equity Shares to Girish Kumar Parashar (clxxxii) 55,000 Equity Shares to Safal Netcards Private Limited (clxxxiii) 54,350 Equity Shares to Chelna Adarshkumar Shah (clxxxiv) 54,350 Equity Shares to Salsa Jigar Shah (clxxxv) 54,350 Equity Shares to Dilipbhai Shah (clxxxvi) 54,310 Equity Shares to Anvesh Reddy Katpelly (clxxxvii) 54,000 Equity Shares to Naresh Jaiprakash Shroff (clxxxviii) 53,550 Equity Shares to Hitanshu Chimanlal Mehta (clxxxix) 53,125 Equity Shares to Ashish Jain (cxc) 52,500 Equity Shares to Harshad Ramlal Sheth (cxci) 50,000 Equity Shares to Mahendrakumar Roopchand Kankaria (cxcii) 50,000 Equity Shares to Chirag Hemantkumar Patel (cxciii) 47,600 Equity Shares to Geeta Shivaji Mashale (cxciv) 45,000 Equity Shares to Nitin Sukhlal Sheth (cxcv) 45,000 Equity Shares to Sapna Devang Shah (cx cvi) 44,625 Equity Shares to Niranjana H Mehta (cx cvii) 43,450 Equity Shares to Kunwar Rizwan (cx cviii) 41,250 Equity Shares to Rajat Arora (cx cix) 41,250							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Equity Shares to Surinder Kaur (cc) 39,035 Equity Shares to Dhanacharya Advisors LLP (cci) 38,125 Equity Shares to Dharmeshbhai Vasharambhai Lakhankiya (ccii) 38,125 Equity Shares to Priyal Dakshesh Bodra (cciii) 38,125 Equity Shares to Ashish Harjibhai Dungran (cciv) 37,500 Equity Shares to Jaysukhbhai J Patel (ccv) 37,500 Equity Shares to Roshani Neetish Doshi (ccvi) 37,500 Equity Shares to Shashi Kant Rathi (ccvii) 37,500 Equity Shares to Vithalbhai Panchabhai Senta (ccviii) 37,500 Equity Shares to Shailesh Kasturchand Patwa (ccix) 37,500 Equity Shares to Smit Mahesh Mehta (ccx) 37,500 Equity Shares to Chetan J Thakker (ccxi) 37,500 Equity Shares to Viveka Kateel Shenoy (ccxii) 37,500 Equity Shares to Palomi Chetan Shah (ccxiii) 37,500 Equity Shares to Daksh Ketan Thakkar (ccxiv) 37,500 Equity Shares to Darsh Ketan Thakkar (ccxv) 35,000 Equity Shares to Venkateswar Rao Ravella (ccxvi) 30,000 Equity Shares to Gautam Biharilal Patel (ccxvii) 30,000 Equity Shares to Disha Jayeshkumar Sheth (ccxviii) 30,000 Equity Shares to Ameykumar Ajaybhai Sheth (ccxix) 30,000 Equity Shares to Vijay Jayantilal Sanghavi (ccxx) 30,000 Equity Shares to Trupti Paras Mehta (ccxxi) 30,000 Equity Shares to							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Shubham Mahesh Velani (ccxxii) 30,000 Equity Shares to Rasiklal Nyalchand Mehta (ccxxiii) 29,775 Equity Shares to Janeel Dinesh Vora (ccxxiv) 29,750 Equity Shares to Nensi Vicky Datraniya (ccxxv) 29,750 Equity Shares to Silki Ketan Doshi (ccxxvi) 29,750 Equity Shares to Varre Nagini (ccxxvii) 29,750 Equity Shares to Bhavin Hasmukhbhai Mehta (ccxxviii) 29,750 Equity Shares to Veeravenkata Satyanarayana Mummadi (ccxxix) 27,500 Equity Shares to Navinder Kaur Chabda (ccxxx) 27,500 Equity Shares to Vivek Agrawal (ccxxxi) 27,500 Equity Shares to Shreyans Chandrakant Sanghvi (ccxxxii) 27,500 Equity Shares to Sunil Sponge Private (ccxxxiii) 27,500 Equity Shares to Sandeep Rai Verma (ccxxxiv) 27,170 Equity Shares to Praveen Gramle (ccxxxv) 27,170 Equity Shares to Nagendranath Chittimoori (ccxxxvi) 25,000 Equity Shares to Naresh J Shroff (HUF) (ccxxxvii) 25,000 Equity Shares to Amita N Shroff (ccxxxviii) 25,000 Equity Shares to Sonal Dharmesh Shah (ccxxxix) 25,000 Equity Shares to Rushabh Navinbhai Shah (ccxl) 25,000 Equity Shares to Jiten Prataprai Mathuria (ccxli) 25,000 Equity Shares to Rishabh R Jain (ccxlii) 25,000 Equity Shares to Ankur Bansal (ccxliii) 24,450							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Equity Shares to Abhishek Agarwala (ccxlv) 23,750 Equity Shares to Kiran Devi Jain (ccxlv) 21,750 Equity Shares to Hardik Mahendra Navdhare (ccxlv) 21,250 Equity Shares to Turaga Jayasyamala (ccxlvii) 20,490 Equity Shares to Madhusudhan Gunda (ccxlviii) 18,750 Equity Shares to Ishita Nilang Jain (ccxlix) 18,500 Equity Shares to Harsh S Shah (ccl) 17,750 Equity Shares to Snehal Anand Gaikwad (ccli) 15,000 Equity Shares to Pranay Rajesh Jain (cclii) 15,000 Equity Shares to Vatsal Nitin Sheth (ccliii) 15,000 Equity Shares to Nishank Nitin Sheth (ccliv) 14,625 Equity Shares to Nandan Pravinbhai Ganatra (cclv) 13,500 Equity Shares to Gulzarsingh Nagpal (cclvi) 13,000 Equity Shares to Raj Kumar Katyal (cclvii) 12,500 Equity Shares to Rekha Rani (cclviii) 12,500 Equity Shares to Mukeshkumar Mahendrabhai Tailor (HUF) (cclix) 12,500 Equity Shares to Sunil Jasuja (cclx) 11,250 Equity Shares to Nikunj Kumar M Mehta (cclxi) 11,250 Equity Shares to Deepak Khanna (cclxii) 10,500 Equity Shares to Rahul Dubey (cclxiii) 10,000 Equity Shares to Laxman Maruti Bhujbal (cclxiv) 10,000 Equity Shares to Deepak Pritamlal Valia (cclxv) 10,000 Equity Shares to Abhishek Chaurasia (cclxvi) 8,750							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Equity Shares to Milankumar Pravinchandra Shah (cclxvii) 8,750 Equity Shares to Sunil Hiranand Thadani (cclxviii) 8,750 Equity Shares to Neha Jain (cclxix) 7,750 Equity Shares to Manjul Bhartiya (cclxx) 7,500 Equity Shares to Naresh Pishu Thadani (cclxxi) 7,500 Equity Shares to Sagar Shripad Halbe (cclxxii) 7,500 Equity Shares to Alok Singhal (cclxxiii) 7,025 Equity Shares to Vijay Pandurang Bhosle (cclxxiv) 6,250 Equity Shares to Devanshi Mihir Shah (cclxxv) 5,675 Equity Shares to Rajat Jindal (cclxxvi) 5,500 Equity Shares to Gaurav Kumar (cclxxvii) 5,500 Equity Shares to Amit Jindal HUF (cclxxviii) 5,500 Equity Shares to Anjali Jain (cclxxix) 5,500 Equity Shares to Abhishek Shrivastava (cclxxx) 5,500 Equity Shares to Anshul Garg HUF (cclxxxi) 5,000 Equity Shares to Abhay S Doshi (HUF) (cclxxxii) 5,000 Equity Shares to Samkitkumar Dineshchandra Sanghavi (cclxxxiii) 5,000 Equity Shares to Sheth Shagun Vipulkumar (cclxxxiv) 5,000 Equity Shares to Aagam Prakash Shah (cclxxxv) 5,000 Equity Shares to Harshad Prahaladbhai Patel (cclxxxvi) 5,000 Equity Shares to Sachin Rajendraprasad Bajaj (cclxxxvii) 5,000 Equity Shares to Anita Chawla (cclxxxviii) 4,350 Equity Shares to							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Veerapandiyan Vikraman (cclxxxix) 4,250 Equity Shares to Vipul Suresh Sheth (ccxc) 4,250 Equity Shares to Dewal Sunil Sheth (ccxc) 4,250 Equity Shares to Parshwa Sunil Sheth (ccxcii) 3,750 Equity Shares to Krupaben Mahendrabhai Rajyaguru (ccxciii) 3,440 Equity Shares to Vinit Bipin Shah (ccxciv) 3,435 Equity Shares to Atul K Shah (HUF) (ccxcv) 3,200 Equity Shares to Mehul Dhirubhai Naik (ccxcvi) 3,125 Equity Shares to Manjunath B K (ccxcvii) 3,125 Equity Shares to Ashu Garg (ccxcviii) 2,975 Equity Shares to Praveen Shashidhar Hebbalkar (ccxcix) 2,700 Equity Shares to Komal Pravinbhai Ganatra (ccc) 2,675 Equity Shares to Mohit Sharma (ccci) 2,500 Equity Shares to Kantilal Mohanlal Manek (ccci) 2,500 Equity Shares to Nirav Harshadbhai Manek (ccci) 2,500 Equity Shares to Hitesh Hastimal Jain (ccciv) 2,500 Equity Shares to Monika Gupta (ccciv) 2,500 Equity Shares to Vinit Agarwal (cccvi) 2,500 Equity Shares to Hemant Thakorbbhai Desai (cccvi) 2,500 Equity Shares to Kalpana Hemant Desai (cccvi) 2,500 Equity Shares to Jeet Hemantbhai Desai (cccix) 2,500 Equity Shares to Niraj Hemantbhai Desai (cccix) 2,500 Equity Shares to Hemantkumar T Desai (HUF) (cccxi)							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		2,375 Equity Shares to Bhaskara Rao Y (cccxi) 2,125 Equity Shares to Mihir Yogesh Shah (cccxi) 2,100 Equity Shares to Basavaraja Billahalli Rajappa (cccxi) 1,750 Equity Shares to Nikhil Bagaria (cccxi) 1,500 Equity Shares to Bhavesh Mahesh Chheda (cccxi) 1,500 Equity Shares to Lokasani Sai Priya (cccxi) 1,250 Equity Shares to Sunil Jayam (cccxi) 1,250 Equity Shares to Deepak Chetandas Thadani (cccxi) 1,250 Equity Shares to Shettihalli Nanjundagowda Devegowda (cccxi) 1,250 Equity Shares to Shanmukh Mattihalli Chanabasappa (cccxi) 1,000 Equity Shares to Ankit Aggarwal (cccxi) 750 Equity Shares to Sachin Vasant Kamble (cccxi) 725 Equity Shares to Mary Gonsalves (cccxi) 625 Equity Shares to Bommachanahalli Shivanna Manju (cccxi) 625 Equity Shares to Dambahalli Eranna Kumar (cccxi) 600 Equity Shares to Balasabarinath Manian (cccxi) 500 Equity Shares to Anjani Kumar Goyal (cccxi) 500 Equity Shares to Avantika N Pandey (cccxi) 500 Equity Shares to Khooshi Lokesh Savla (cccxi) 300 Equity Shares to Sanket Sukhdeo Mhaske (cccxi) 300 Equity Shares to Pudur Ethiraj Devaraj (cccxi) 250 Equity Shares to Dhairya Dhiraj Shah (cccxi) 120,000 Equity							

Date of allotment	Number of Equity Shares allotted	Details of allottees	Number of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		Shares to Prajal Bhandari (cccxxxiv) 237,500 Equity Shares to Chiragkumar B Limbasiya (cccxxxv) 59,500 Equity Shares to Sukrut Advisors LLP (cccxxxvi) 77,500 Equity Shares to Dhruvil Nimesh Joshi (cccxxxvii) 29,750 Equity Shares to Antara Capital through its partners (cccxxxviii) 371,600 Equity Shares to Tejas Bharat Shah HUF (cccxxxix) 110,000 Equity Shares to AMRC Ventures LLP (cccxl) 119500 Equity Shares to Nilambhen Kiritbhai Shah (cccxli) 300,000 Equity Shares to Chhattisgarh Investments Limited (cccxlii) 30,000 Equity Shares to Rashmi Rajesh Bafna.							

- ⁽¹⁾ Our Company had delayed in filing the Form FC-GPR for the allotment 2,378 Equity Shares to Saint Capital Fund and 39,500 Equity Shares to Nova Global Opportunities Fund PCC, respectively on October 11, 2024, and our Company has paid a late submission fee of ₹ 22,500 to RBI. In addition, our Company was unable to file Form FC-GPR for 59,450 Equity Shares allotted to Saint Capital Fund and 987,500 Equity Shares allotted to Nova Global Opportunities Fund PCC on February 3, 2025. Please see 'Risk Factor - Our Company has delayed filing of forms FC-GPR and has been unable to file forms FC-GPR, in relation to certain allotment of Equity Shares. Any adverse action in this regard which, if determined against us, could have a material adverse effect on our reputation, business, finances, cash flow and results of operations.' on page 54.
- ⁽²⁾ Our Company had delayed in filing the Form FC-GPR for the allotment of 83,323 Equity Shares to Dovetail Global Fund PCC All Seasons India Opportunities Fund on January 17, 2025 and our Company has paid late submission fees of ₹ 11,900 to RBI. Further, our Company was unable to file Form FC-GPR for allotment of 416,615 Equity Shares to Dovetail Global Fund PCC All Seasons India Opportunities Fund on February 3, 2025, due to a mismatch in the name of this investor in the forward inward remittance certificate. Please see 'Risk Factor - Our Company has delayed filing of forms FC-GPR and has been unable to file forms FC-GPR, in relation to certain allotment of Equity Shares. Any adverse action in this regard which, if determined against us, could have a material adverse effect on our reputation, business, finances, cash flow and results of operations' on page 54.

Secondary transactions of Equity Shares of our Company

Our Promoters and Promoter Group have not acquired or transferred any Equity Shares through secondary transactions.

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

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

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per equity share (₹)	Form of consideration	Reasons for allotment	Benefits if any that have accrued to the Company
March 25, 2010	18,00,600	10	NA	NA	Bonus Issue in the ratio of 6 Equity Shares for 1 existing Equity Share held.	Nil
December 9, 2015	28,99,300	10	NA	NA	Bonus Issue in the ratio of 1.380 Equity Shares for 1 existing Equity Share held.	Nil
February 3, 2025	148,701,900	2	NA	NA	Bonus Issue in the ratio of 5 Equity Shares for 1 existing Equity Share held.	Nil

- As on the date of this Red Herring Prospectus, our Company does not have preference share capital.
- Our Company is in compliance with the Companies Act, 1956 and Companies Act, 2013, as applicable, with respect to issuance of securities since its incorporation till the date of filing of this Red Herring Prospectus.
- Our Company has not allotted any Equity Shares pursuant to any scheme of arrangement approved under Sections 391- 394 of the Companies Act, 1956, or Sections 230-234 of the Companies Act, 2013.
- Our Company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company does not have any employee stock option scheme as on the date of this Red Herring Prospectus.
- Except for the allotment of Equity Shares pursuant to a bonus issue as disclosed in ‘*Capital Structure-Details of shares issued for consideration other than cash or by way of bonus issue or out of revaluation reserves*’ on page 131, our Company has not issued any Equity Shares at a price that may be lower than the Issue Price during a period of 1 year preceding the date of this Red Herring Prospectus
- All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of the Draft Red Herring Prospectus and the Bid/Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions.
- Except for 144,000 Equity Shares held by one of our Shareholder, i.e., Prajal Bhandari none of the Equity Shares held by our shareholders are pledged or otherwise encumbered as on the date of this Red Herring Prospectus.
- There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive our Equity Shares as on the date of this Red Herring Prospectus.

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12. Shareholding Pattern of our Company

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

Category(I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depositary receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total No. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	No. of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (Including Warrant, ESOP etc.) (X)	Total No of shares on fully diluted basis (Including warrants, ESOP Convertible Securities etc. (XI)=(VI+I+X))	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII) = (VII)+(X) As a % of (A+B+C2)	No. of locked in Equity Shares (XII)		No. of Equity Shares pledged (XIII)		Non-disposal undertaking (XIV)		Other encumbrances, if any (XV)		Total Number of Shares encumbered (XVI) = (XIII)+XIV+XV)		No. of Equity Shares held in dematerialized form (XIV)
								No. of Voting Rights			Total as a % of (A+B+C)				No.	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (Equity Shares)	Class (Other)	Total															
(A)	Promoter and Promoter Group	5	150,007,140	0	0	150,007,140	84.06	150,007,140	0	150,007,140	84.06	0	150,007,140	84.06	0	0	0	0	0	0	0	0	0	0	150,007,140
(B)	Public	1,019	16,699,460	0	0	16,699,460	9.36	16,699,460	0	16,699,460	9.36	0	16,699,460	9.36	0	0	144,000	0.08	0	0	0	0	144,000	0.08	16,699,460
(C)	Non Promoter - Non Public	112	11,735,680	0	0	11,735,680	6.58	11,735,680	0	11,735,680	6.58	0	11,735,680	6.58	0	0	0	0	0	0	0	0	0	0	11,735,680
(C1)	Shares underlying depositary receipts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by employee trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	1,136	178,442,280	0	0	178,442,280	100.00	178,442,280	0	178,442,280	100.00	0	178,442,280	100.00	0	0	144,000	0.08	0	0	0	0	144,000	0.08	178,442,280

13. Other details of Shareholding of our Company

As on the date of the filing of this Red Herring Prospectus, our Company has 1,136 shareholders.

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

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Equity Share capital (%)
1.	Maddisetty Venugopal Rao	50,033,310	28.04%
2.	Padma Venugopal Maddisetty	49,983,330	28.01%
3.	Rajiv Maddisetty	24,991,680	14.01%
4.	Lahari Maddisetty	24,991,680	14.01%
5.	G K Tobacco Industries Private Limited	3,499,980	1.96%
Total		153,499,980	86.03%

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

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Equity Share capital (%)
1.	Maddisetty Venugopal Rao	50,033,310	28.04%
2.	Padma Venugopal Maddisetty	49,983,330	28.01%
3.	Rajiv Maddisetty	24,991,680	14.01%
4.	Lahari Maddisetty	24,991,680	14.01%
5.	G K Tobacco Industries Private Limited	3,499,980	1.96%
Total		153,499,980	86.03%

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

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Equity Share capital (%)
1.	Maddisetty Venugopal Rao	16,67,777	33.36%
2.	Padma Venugopal Maddisetty	16,66,111	33.32%
3.	Rajiv Maddisetty	8,33,056	16.66%
4.	Lahari Maddisetty	8,33,056	16.66%
Total		5,000,000	100.00%

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

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Equity Share capital (%)
1.	Maddisetty Venugopal Rao	16,67,777	33.36%
2.	Padma Venugopal Maddisetty	16,66,111	33.32%
3.	Rajiv Maddisetty	8,33,056	16.66%
4.	Lahari Maddisetty	8,33,056	16.66%
Total		5,000,000	100.00%

14. Our Company presently does not intend or propose to alter its capital structure for a period of 6 months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of the Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly

or indirectly for the Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

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

- a. As on the date of this Red Herring Prospectus, our Promoters hold 150,000,000 Equity Shares constituting 84.07% of the issued, subscribed and paid-up Equity Share capital of our Company. Set forth below is the shareholding of our Promoters:

Sr. No.	Name of the Promoter	Pre-Issue No. of Equity Shares	Percentage of the pre-Issue Equity Share capital (%)	Post-Issue No. of Equity Shares	Percentage of the post-Issue Equity Share capital
Promoters					
1.	Maddisetty Venugopal Rao	50,033,310	28.04	[●]	[●]
2.	Padma Venugopal Maddisetty	49,983,330	28.01	[●]	[●]
3.	Rajiv Maddisetty	24,991,680	14.01	[●]	[●]
4.	Lahari Maddisetty	24,991,680	14.01	[●]	[●]
Total		150,000,000	84.07	[●]	[●]

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

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

- (i) *Maddisetty Venugopal Rao*

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
Initial Subscription to the Memorandum of Association	March 01, 2007	5000	10	10	Cash	0.01	[●]
Further Issue	December 14, 2009	95,100	10	10	Cash	0.27	[●]
Bonus Issue in the ratio of 6 Equity Shares for 1 existing Equity Share held.	March 25, 2010	600,600	10	NA	NA	1.69	[●]
Bonus Issue in the ratio of 1.380 Equity Shares for 1 existing Equity Share held.	December 9, 2015	967,077	10	NA	NA	2.71	[●]
Pursuant to a resolution passed by our Shareholders at their meeting held on October 16 2024 the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 1,667,777 Equity Shares held by Maddisetty Venugopal Rao were subdivided into 8,338,885 Equity Shares.							
Bonus Issue in the ratio of 5 Equity Shares for 1 existing Equity Share held.	February 3, 2025	41,694,425	2	NA	NA	23.36	[●]
Total		50,033,310				28.04	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)

(ii) *Padma Venugopal Maddisetty*

Nature of transaction	Date of allotment / acquisition / transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
Initial Subscription to the Memorandum of Association	March 01, 2007	5000	10	10	Cash	0.01	[●]
Further Issue	December 14, 2009	95,000	10	10	Cash	0.27	[●]
Bonus Issue in the ratio of 6 Equity Shares for 1 existing Equity Share held	March 25, 2010	600,000	10	NA	NA	1.69	[●]
Bonus Issue in the ratio of 1.380 Equity Shares for 1 existing Equity Share held.	December 9, 2015	966,111	10	NA	NA	2.70	[●]
Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 1,666,111 Equity Shares held by Padma Venugopal Maddisetty were subdivided into 8,330,555 Equity Shares.							
Bonus Issue in the ratio of 6 Equity Shares for 1 existing Equity Share held	February 3, 2025	41,652,775	2	NA	NA	23.34	[●]
Total		49,983,330				28.01	[●]

(iii) *Rajiv Maddisetty*

Nature of transaction	Date of allotment / acquisition / transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
Further Issue	March 17, 2010	50,000	10	10	Cash	0.14	[●]
Bonus Issue in the ratio of 6	March 25, 2010	300,000	10	NA	NA	0.84	[●]

Nature of transaction	Date of allotment / acquisition / transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
Equity Shares for 1 existing Equity Share held.							
Bonus Issue in the ratio of 1.380 Equity Shares for 1 existing Equity Share held.	December 9, 2015	483,056	10	NA	NA	1.36	[●]
Pursuant to a resolution passed by our Shareholders at their meeting held on 16 October 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 833,056 Equity Shares held by Rajiv Maddisetty were subdivided into 4,165,280 Equity Shares.							
Bonus Issue in the ratio of 5 Equity Shares for 1 existing Equity Share held.	February 3, 2025	20,826,400	2	NA	NA	11.67	[●]
Total		24,991,680				14.01	[●]

(iv) *Lahari Maddisetty*

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%)
Further Issue	March 17, 2010	50,000	10	10	Cash	0.14	[●]
Bonus Issue in the ratio of 6 Equity Shares for 1 existing Equity Share held.	March 25, 2010	300,000	10	NA	NA	0.84	[●]
Bonus Issue in the ratio of 1.380 Equity Shares for 1 existing Equity Share held.	December 9, 2015	483,056	10	NA	NA	1.36	[●]
Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 833,056 Equity Shares held by Lahari Maddisetty were subdivided into 4,165,280 Equity Shares.							
Bonus Issue in the ratio of 5 Equity Shares for 1 existing Equity Share held.	February 3, 2025	20,826,400	2	NA	NA	11.67	[●]
Total		24,991,680				14.01	[●]

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

- d. All Equity Shares held by our Promoters are in dematerialized form as on the date of this Red Herring Prospectus.
- e. None of the Equity Shares held by our Promoters are pledged or otherwise encumbered as on the date of this Red Herring Prospectus.
- f. Except as disclosed above in the ‘*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in our Company*’ on page 134, none of our Promoters or the members of the Promoter Group or their relatives have purchased or sold any securities of our Company during the period of 6 months immediately preceding the date of this Red Herring Prospectus.
- g. Except as disclosed in the ‘*Our Management - Shareholding of Directors in our Company*’ on page 335, none of our Directors or their relatives have purchased or sold any securities of our Company during the period of 6 months immediately preceding the date of this Red Herring Prospectus.
- h. Except as set forth below, no member of the Promoter Group holds Equity Shares in our Company:

S. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Dheeraj Varma Mudduluru	7,140	Negligible

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

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

Other than as disclosed under ‘*Our Management - Shareholding of Directors in our Company*’, ‘*Our Management - Shareholding of Key Managerial Personnel and Senior Managerial Personnel in our Company*’ on pages 335 and 348 respectively, none of our Directors, Key Managerial Personnel and Senior Management hold any Equity Shares as on the date of this Red Herring Prospectus.

17. Details of acquisition of Equity Shares in the preceding 3 years 18 months and 1 year

Save and except for below, our Promoters and Promoter Group have not acquired any Equity Shares in the preceding 3 years, 18 months, and 1 year:

Sr. No	Name of the Shareholder	Date of Acquisition	Number of Equity Shares acquired	Face Value (in ₹)	Acquisition price per Equity Share (in ₹)
Promoters					
1.	Maddisetty Venugopal Rao	October 16, 2024	Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 1,667,777 Equity Shares held by Maddisetty Venugopal Rao were subdivided into 8,338,885 Equity Shares		
		February 3, 2025	41,694,425	2.00	Nil
2.	Padma Venugopal Maddisetty	October 16, 2024	Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 1,666,111 Equity Shares held by Padma Venugopal Maddisetty were subdivided into 8,330,555 Equity Shares.		
		February 3, 2025	41,652,775	2.00	Nil

Sr. No	Name of the Shareholder	Date of Acquisition	Number of Equity Shares acquired	Face Value (in ₹)	Acquisition price per Equity Share (in ₹)
3.	Rajiv Maddisetty	October 16, 2024	Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 833,056 Equity Shares held by Rajiv Maddisetty were subdivided into 4,165,280 Equity Shares		
		February 3, 2025	20,826,400	2.00	Nil
4.	Lahari Maddisetty	October 16, 2024	Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 833,056 Equity Shares held by Lahari Maddisetty were subdivided into 4,165,280 Equity Shares		
		February 3, 2025	20,826,400	2.00	Nil
Promoter Group					
2.	Mudduluru Dheeraj Varma	October 11, 2024	238.00	10.00	10.00
		October 16, 2024	Pursuant to a resolution passed by our Shareholders at their meeting held on October 16, 2024, the face value of the Equity Shares of our Company was sub-divided from ₹ 10 each to ₹ 2 each. Therefore, 238 Equity Shares held by Mudduluru Dheeraj Varma were subdivided into 1,190 Equity Shares		
		February 3, 2025	5,950	2.00	Nil

18. Details of Promoters' contribution and lock-in

- Pursuant to Regulation 14 and Regulation 16 of SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by the Promoters shall be locked-in for a period of 3 years as minimum promoter's contribution from the date of Allotment (**Minimum Promoters' Contribution**) in the Issue and our Promoters' shareholding in excess of 20% shall be locked-in for a period of 1 year from the date of Allotment.
- The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of 3 years from the date of Allotment is set out in the following table:

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

*To be updated at Prospectus stage.

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

- Our Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Minimum Promoter's Contribution, and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Minimum Promoter's Contribution from the date of filing this Red Herring Prospectus,

until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted in accordance with the SEBI ICDR Regulations.

- d. The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. In this regard, we confirm that:
- i. the Equity Shares offered as part of the Minimum Promoters' Contribution do not comprise Equity Shares acquired during the immediately 3 preceding years:
 - for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or
 - resulting from a bonus issue out of revaluation reserves or unrealised profits, or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;
 - ii. The Minimum Promoters' Contribution does not include Equity Shares acquired during the immediately preceding 1 year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
 - iii. Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm, and, consequently, the Minimum Promoters' Contribution does not include Equity Shares issued pursuant to conversion of partnership firm or a limited liability partnership firm; and
 - iv. The Equity Shares held by our Promoters and offered as part of the Minimum Promoters' Contribution are not subject to any pledge or any other encumbrance.

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

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Issue Equity Share capital held by persons other than our Promoters will be locked-in for a period of 6 months from the date of Allotment in the Issue, except for the Equity Shares held by any other category of shareholders which are exempted under Regulation 17 of the SEBI ICDR Regulations.

20. Lock-in Requirements

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

21. Lock-in of Equity Shares Allotted to Anchor Investors

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

22. Recording on non-transferability of Equity Shares locked-in

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

23. Other requirements in respect of lock-in

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a

public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- a. With respect to the Equity Shares locked-in for 1 year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- b. With respect to the Equity Shares locked-in as Minimum Promoters' Contribution for 3 years from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Issue, which is not applicable in the context of this Issue.

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

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

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

24. Our Company, our Directors and the BRLM have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
25. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.
26. As on the date of this Red Herring Prospectus, the BRLM and its associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLM and its affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiary, for which they may in the future receive customary compensation.
27. As on the date of this Red Herring Prospectus, the BRLM and its associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) are not directly/indirectly related to the Shareholders.
28. None of our Promoters or the members of our Promoter Group will participate in the Issue.
29. Neither the (i) BRLM or any associate of the BRLM (other than mutual funds sponsored entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by the entities which are associates of the BRLM or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLM); nor (ii) any person related to the Promoter or Promoter Group can apply under the Anchor Investor Portion.
30. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded on account of non-listing, under-subscription etc, as the case may be.
31. Our Company will ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

32. No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner whatsoever, whether in cash or kind or service or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
33. As on the date of this Red Herring Prospectus, our Company has not formulated an employee stock option plan.

SECTION IV: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue comprises of the Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 8,191.48 million. The proceeds of the Fresh Issue, after deducting the Issue related expenses, are estimated to be ₹ [●] million (**Net Proceeds**).

Requirement of Funds

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

1. Funding capital expenditure requirement for investment in our Subsidiary, Pace Renewable Energies Private Limited, for setting up battery energy storage systems (**BESS**) for a project awarded by the Maharashtra State Electricity Distribution Company Limited (**MSEDCL**) (**Capital Expenditure**); and
2. General Corporate Purposes.

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

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

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

Net Proceeds

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

(In ₹ million)

Particulars	Amount
Gross Proceeds from the Fresh Issue	Up to 8,191.48
(Less) Fresh Issue related expenses ⁽¹⁾⁽²⁾	[●]
Net Proceeds ⁽¹⁾	[●]

1. For details in relation to Issue related expenses, see 'Objects of the Issue - Issue related Expenses' on page 162.

2. To be finalized upon determination of the Issue Price and will be updated in the Prospectus prior to filing with the RoC.

Utilisation of Net Proceeds

(in ₹ million)

Particulars	Amount
Funding our Capital Expenditure requirement	6,300.00
General corporate purposes ⁽¹⁾	[●]
Total ⁽¹⁾	[●]

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

Proposed schedule of implementation and deployment of Net Proceeds

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

(in ₹ million)

Particulars	Estimated utilization from Net Proceeds	Estimated schedule of deployment of Net Proceeds in Fiscal 2026
Funding our Capital Expenditure requirement	6,300.00	6,300.00
General corporate purposes ⁽¹⁾	[●]	[●]
Total	[●]	[●]

(1) To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The

amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceed.

We intend to deploy the Net Proceeds towards the Objects as disclosed in the table above, in accordance with the business needs of our Company. However, the actual deployment of funds will depend on a number of factors, including the timing of completion of the Issue, market conditions, our Board's analysis of economic trends and business requirements, ability to identify and consummate proposed investments and acquisitions, competitive landscape, as well as general factors affecting our results of operations and financial condition. Depending upon such factors, we may have to reduce or extend the deployment period for the stated Objects, at the discretion of our management, and in accordance with applicable laws. In the event that the estimated utilization of the Net Proceeds in a scheduled Fiscal is not completely met, including due to the reasons stated above, the same shall be utilized in the next Fiscal, as may be determined by our Company, in accordance with applicable laws. For further details, see '*Risk Factors - Any variation in the utilisation of proceeds from the Issue shall be subject to applicable law*' on page 75.

The above requirement of funds is based on our current business plan, internal management estimates based on the prevailing market conditions, and also based on quotations obtained from certain vendors. Except for a techno economic viability report issued by Dun & Bradstreet dated June 17, 2025 for the MSEDCL BESS Project, these funding requirements or deployments have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as change in costs, including due to inflation or increase in the rate of taxation or change in the rate of currency exchange, revision in quotations at the time of actual expenditure, change in financial and market conditions, our management's analysis of economic trends and our business requirements, changes in technology, change in project schedule, ability to identify and consummate new business initiatives, fund requirements for our operations, inorganic growth opportunities, competitive landscape as well as general factors affecting our results of operations, financial condition, business and strategy and interest/exchange rate fluctuations or other external factors, which may not be within the control of our management. This may entail rescheduling (including preponing the deployment of Net Proceeds) and revising the funding requirement for a particular Object or increasing or decreasing the amounts earmarked towards any of the aforementioned Objects at the discretion of our management, subject to compliance with applicable law.

In case of any surplus amount after utilization of the Net Proceeds towards any of the aforementioned Objects, we may use such surplus amount towards (i) other Objects as set out above; and/ or (ii) general corporate purposes, provided that the total amount to be utilized towards general corporate purposes does not exceed 25% of the Gross Proceeds. Further, in case of a shortfall in meeting the aforementioned Objects, we may explore a range of alternate funding options including utilizing our internal accruals and availing future debt from lenders. We believe that such alternate funding arrangements would be available to fund any such shortfalls. For further details, see '*Risk Factors - We have not yet placed orders in relation to the capital expenditure requirements which are proposed to be funded out of the Net Proceeds. If there is any delay in placing the orders, or in the event the vendor is unable to perform its obligations, in part or at all, it may result in time and cost overruns and our business, prospects and results of operations may be adversely affected.*' on page 56.

Details of objects of the Fresh Issue

1. Funding our Capital Expenditure requirements for investment in our Subsidiary, Pace Renewable Energies Private Limited, for setting up battery energy storage systems for a project awarded by the Maharashtra State Electricity Distribution Company Limited

Pursuant to a letter of award dated October 14, 2024 (**MSEDCL Letter of Award**) issued to our Company by the Maharashtra State Electricity Distribution Company Limited (**MSEDCL**), our Company has been awarded a project for setting up pilot projects of 250 MW/ 500 MWh for MSEDCL, with an additional green shoe capacity of up to 500 MW/ 1000 MWh standalone battery energy storage systems at 75 sub-stations in Maharashtra (**MSEDCL BESS Project**). Our Board, pursuant to a resolution dated February 1, 2025, has transferred the MSEDCL BESS Project to our Subsidiary, Pace Renewable Energies Private Limited. Pursuant to a board resolution dated February 1, 2025 Pace Renewable Energies Private Limited has approved the execution of the MSEDCL BESS Project transferred by our Company. Subsequently, on February 21, 2025, Pace Renewable Energies Private Limited and the MSEDCL executed a battery energy storage power purchase agreement (**BESPA**) pursuant to which Pace Renewable Energies Private Limited is required to develop the MSEDCL BESS Project on 750 MW / 1500 MWH in 75 substations of MSEDCL on a 'Build, Own and Operate' basis and supply BESS capacity to MSEDCL. The Company has also provided a performance bank guarantee in favor of MSEDCL for an amount aggregating ₹ 1,387.50 million (**Performance Bank Guarantee**). As on the date of this Red Herring

Prospectus, our Company has not made any investment in Pace Renewable Energies Private Limited, in relation to the Capital Expenditure.

The key terms of the MSEDCL Letter of Award and the BESPA are: (i) the BESPA is effective from February 21, 2025 and will be valid for a term of 12 years from the date of full commissioning of the MSEDCL BESS Project, as may be extended from time to time by mutual consent of the parties; (ii) the Performance Bank Guarantee shall be valid for a period 10 months from the date of the scheduled commissioning of the MSEDCL BESS Project; (iii) Pace Renewable Energies Private Limited will be responsible for *inter alia* (a) development of the MSEDCL BESS Project on a 'Build, Own and Operate' basis and supply BESS capacity to MSEDCL at substations of MSEDCL; (b) obtaining all the necessary approvals, clearances, permits and consents during the term of the BESPA; (c) designing, constructing, erecting, commissioning and testing the MSEDCL BESS Project; (vii) Pace Renewable Energies Private Limited will be entitled to receive the tariff for supply of the power in terms of the BESPA. In terms of BESPA, our Subsidiary, Pace Renewable Energies Private Limited, will be entitled to receive tariff of ₹ 219,001 / MW /month for the term of the BESPA with effect from commissioning of the MSEDCL BESS Project or part thereof from the date of the scheduled commissioning of the MSEDCL BESS Project for the contracted capacity. In terms of the BESPA, MSEDCL will also provide viability gap funding to Pace Renewable Energies Private Limited.

The total cost of setting up the MSEDCL BESS is estimated as ₹ 18,514.16 million pursuant to the project report dated February 26, 2024 prepared by Vriddhim Business Advisory LLP (**MSEDCL Project Report**). Vriddhim Business Advisory LLP has a cumulative professional experience of over 20 years and experience of over 1 year as an LLP. Other than the MSEDCL Project Report, set out below is the details of experience of Vriddhim Business Advisory LLP:

Sr. No.	Summary of the project	Month and year	Scope of project	Delay in the project	Completed Project
1.	Ramabai Ambedkar Redevelopment Project, Mumbai	2024	Financial feasibility	Nil	Yes
2.	Orange Gate, Mumbai	2024	Financial feasibility	Nil	Yes
3.	Gaimukh Twin Tunnel	2024	Financial feasibility	Nil	Yes
4.	Fountain Hotel to Bhayander Elevated Road	2024	Financial feasibility	Nil	Yes
5.	Kalyan Ring Road	2024	Financial feasibility	Nil	Yes
6.	BoT project – monetisation of MSRTC bus depot – 6 bus depots & bus stations (6 projects)	2024	Financial feasibility and preparation of DPR	Nil	Yes
7.	BoT project – Government land monetisation for 60Y	2025	Financial feasibility and preparation of DPR	Nil	In progress
8.	SECI Solar & BESS Project as a developer (100 MW / 200 MWh)	2025	Financial feasibility and preparation of DPR	Nil	In progress

The MSEDCL Project will involve completion of the following 3 activities: (i) Procurement and Civil Works to be undertaken between February 2025 - March 2026 which involves procurement of lithium-ion cells, power conversion systems, transformers and civil infrastructure set-up; (ii) Grid Integration and Testing to be undertaken between April 2025 - March 2026 which involves integration of BESS with substations of MSEDCL, and compliance testing; and (iii) commissioning and operations to be undertaken between May 2025 - August 2026 which will involve full scale commissioning, operational testing and performance monitoring.

Details of phase-wise cost of the project is set out below:

Phase*	Period	Estimated cost (in ₹ million)**
25 substations of MSEDCL	Between February 2025 – December 2025	6,171.39
25 substations of MSEDCL	Between July 2025 - May 2026	6,171.39
25 substations of MSEDCL	Between October 2025 - August 2026	6,171.39
75 substations of MSEDCL		18,514.17

* Work to be undertaken involves Procurement and Civil Works, Grid Integration and Testing and Commissioning and operations

**Includes GST

Past experience: We have also been undertaking projects for solarization of telecom towers (which comprises supply of solar modules and along with lithium-ion batteries and the related equipments to telecom towers, installation, commissioning and O&M) since Fiscal 2013. Pace Renewable Energies Private Limited has undertaken installation of solar power generating system including installation of solar panels and batteries, and operation and maintenance of the site for a contracted period of 10 years. We also undertake turnkey projects for renewable energy sector through Pace Renewable Energies Private Limited. With the acquisition of the business of GE Power Electronics India and rights over the 'Lineage Power' brand in Fiscal 2014, we commenced 'end to end' manufacturing of direct current systems which are tailored for telecom tower companies and operators and has helped us enhance our market position in the energy management solutions. We have recently through our Subsidiary i.e., Lineage, commenced manufacturing battery energy storage systems (BESS), which are systems that utilizes batteries to capture, store, and distribute electrical energy. For more details, see 'Our Business' on page 274.

We intend to utilise a portion of our Net Proceeds aggregating to ₹ 6,300.00 million in the form of combination of (i) equity; and (ii) optionally convertible debt instruments as mutually decided between the Company and our Subsidiary i.e., Pace Renewable Energies Private Limited, in accordance with Applicable Law for investment in Pace Renewable Energies Private Limited and as approved by our Board pursuant to its resolution dated March 27, 2025.

Equity shares of Pace Renewable Energies Private Limited

Our Company has entered into an agreement dated September 8, 2025 with Pace Renewable Energies Private Limited to subscribe to such number of equity shares of face value of ₹ 10 each of Pace Renewable Energies Private Limited aggregating to ₹ 3,150.00 million. The number of equity shares to be issued and allotted by Pace Renewable Energies Private Limited will be determined at the time of issuance and allotment of such equity shares based on fair market value of the equity shares of Pace Renewable Energies Private Limited.

Optionally Convertible Debentures of Pace Renewable Energies Private Limited

Our Company has entered into an Optionally Convertible Debenture Subscription Agreement dated August 12, 2025 (**OCD Agreement**) with Pace Renewable Energies Private Limited pursuant to which our Company will subscribe to 31,500,000 Optionally Convertible Debentures of face value of ₹ 100/- (**OCD**) to be issued and allotted by Pace Renewable Energies Private Limited for a consideration of ₹ 3,150.00 million. In terms of the OCD Agreement (i) the OCDs will have a tenure of 12 years from the date of issuance with an option to convert the OCDs into equity shares of Pace Renewable Energies Private Limited at the option of our Company or Pace Renewable Energies Private Limited after a period of 1 year from the date of issuance of OCDs; (ii) the OCDs will be convertible into such number of equity shares of Pace Renewable Energies Private Limited as per the conversion ratio to be determined as per fair market value of the equity shares of Pace Renewable Energies Private Limited as on the date of conversion; (iii) the OCDs will carry a 9.5% per annum coupon rate; and (iv) the OCDs or equity shares issued pursuant to conversion of OCDs shall be non-transferable during their term to any third party. Post conversion of OCDs into equity shares, Pace Renewable Energies Private Limited may exercise an option to buy-back equity shares from Company or for shareholders / promoters of the Company and or, their affiliates to purchase such equity shares.

The board of directors of Pace Renewable Energies Private Limited in their meeting held on March 27, 2025, has approved an amount of up to ₹ 6,300.00 million for the purpose of funding the proposed expenditure as stated herein below from the Net Proceeds. Pace Renewable Energies Private Limited has received quotations from various vendors for the proposed capital expenditure and is yet to place any orders or enter into definitive agreements for proposed Capital Expenditure to be funded from Net Proceeds. No second hand or used equipment are proposed to be purchased out of the Net Proceeds. As on the date of this Red Herring Prospectus, Pace

Renewable Energies Private Limited has not deployed any fund towards the proposed Capital Expenditure to be funded from Net Proceeds.

Pursuant to such investment by our Company, Pace Renewable Energies Private Limited intends to utilise up to ₹ 6,300.00 million from the Net Proceeds towards (i) up to ₹ 5,443.84 million for purchase of plant and machinery from third party vendors; (ii) up to ₹ 380.48 million for balance of systems; (iii) up to ₹ 324.00 million for civil works expenses of MSEDCL BESS Project; (iv) up to ₹ 151.68 million for transportation costs. We intend to fund the balance project cost of ₹12,214.16 million through loan obtained from Indian Renewable Energy Development Agency (**IREDA**), pursuant to a sanction letter dated June 30, 2025, and subsequent facility agreements dated August 28, 2025 for an amount of ₹12,215.00 million for funding the MSEDCL BESS Project (**MSEDCL IREDA Loan**).

Tariff and Viability Gap Funding (VGF)

In terms of BESPA, our Subsidiary, Pace Renewable Energies Private Limited, will be entitled to receive tariff of ₹ 219,001 / MW /month for the term of the BESPA with effect from commissioning of the MSEDCL BESS Project or part thereof from the date of the scheduled commissioning of the MSEDCL BESS Project for the contracted capacity. In terms of the BESPA, MSEDCL will also provide viability gap funding to Pace Renewable Energies Private Limited up to a maximum of 30% of the MSEDCL BESS Project cost or ₹ 2.70 million per MWh, whichever is lower. As of date no viability gap funding has been provided to Pace Renewable Energies Private Limited. The viability gap funding of ₹ 4,050.00 million will be available to Pace Renewable Energies Private Limited i.e., lower of (i) 30% of the MSEDCL BESS Project cost (excluding GST) (i.e. ₹ 15,689.97 million) being ₹ 4,706.99 million; or (ii) ₹ 2.70 million per MWh for 1,500 MWh being ₹ 4,050.00 million. The viability gap funding will be available as per the following schedule:

Sr. No.	Milestone	Amount (in ₹ million)
1.	10% on financial closure (subject to submission of bank guarantee / payment on order instrument).	405.00
2.	45% on Commercial Operation Date (COD)	1,822.50
3.	15% on completion of the first year from COD.	607.50
4.	15% on completion of the second year from COD.	607.50
5.	15% on completion of the third year from COD.	607.50
Total		4,050.00

The details of the estimated cost for setting up the MSEDCL BESS Project are set out below:

Particulars	Total cost (in ₹ million)	GST (in ₹ million)	Cost incurred as on August 31, 2025 (in ₹ million)*	Balance cost (in ₹ million)	Amount to be funded from the Net Proceeds (in ₹ million)	Balance amount to be sourced from internal accruals and/ or MSEDCL IREDA Loan (in ₹ million)
Plant and machinery from third party vendors	7,438.53	1,338.93	327.44	8,450.02	5,443.84	3,006.18
Purchase of plant and machinery from Lineage Power	5,821.47	1,047.87	379.06	6,490.27	Nil	6,490.27
Balance of systems	830.00	149.40	50.80	928.60	380.48	548.13
Civil works expenses	670.00	120.60	19.01	771.59	324.00	447.59
Transportation	300.00	54.00	13.04	340.96	151.68	189.28
Overheads comprising	629.97	113.39	108.62	634.74	Nil	634.74

Particulars	Total cost (in ₹ million)	GST (in ₹ million)	Cost incurred as on August 31, 2025 (in ₹ million)*	Balance cost (in ₹ million)	Amount to be funded from the Net Proceeds (in ₹ million)	Balance amount to be sourced from internal accruals and/ or MSEDCL IREDA Loan (in ₹ million)
manpower cost, administrative cost and site preparation cost						
Total	15,689.97	2,824.19	897.97	17,616.18	6,300.00	11,316.18

**As on August 31, 2025, our Company has paid an amount of ₹ 59.37 million, and our Subsidiaries, Lineage Power Private Limited and Pace Renewable Energies Private Limited (whose financials are consolidated with our Company's financials) have paid an amount of ₹ 738.66 million and ₹ 99.95 million, respectively, towards the balance amount of capital expenditure for the MSEDCL BESS Project (i.e., the amount other than the amount to be funded from Net Proceeds).*

Plant and machinery from third party vendors

The estimated expenditure towards purchasing plant and machinery from third party vendors, which we propose to deploy from the Net Proceeds is ₹ 5,443.84 million. Set out in the table below is a break-up of the estimated cost towards purchasing plant and machinery from third party vendors:

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Sr. No.	Description of Equipment	Quantity	Cost per Unit	Total Cost	Details in relation to Quotations Obtained		
			(in ₹ million)	(in ₹ million)	Name of the Vendor	Date of Quotation / Purchase Order	Validity of the Quotation / Purchase Orders
1.	314 Ah Prismatic Cell Made in China, BPLI0000032314 / 3.2V 314Ah LITHIUM ION (LFP) CELL	500	3.15	1,659.52 ^{^1}	HiTHIUM Energy Storage Technology Co., Ltd	March 18, 2025	September 30, 2025
2.	314 Ah Prismatic Cell Made in China, MB31 3.2V 314 AH	387	3.17	1,293.45 ^{^2}	EVE Power Co. Ltd	March 19, 2025	September 30, 2025
3.	PCS 250kw Modules Made in China, ESHV250K-A-G01 7Slots Rack (load 6 pcs of PCS Modules) 7 Slots Rack (load 5 pcs of PCS Modules)	180	4.01	880.24 ^{^3}	Shenzhen Hopewind Technology Co., Ltd.	March 19, 2025	September 30, 2025
4.	Containers Made in China, 96 PACK / 5.015MWh energy storage system. Reference dimensions: 6058*2438*2896mm DC power line transition, UPS (3kVA) etc. The space for BAMS and EMS will be reserved, and Pace will provide BAMS and EMS Rack control box, 1500V/200A EMS QFA2050/MO, Temperature sensor, DS-2CD3341G2-LIUF (4mm, Video monitor) DS-7608NXI-K2/8P VC, SFDX500-22WT (16W/220V) Lights. Liquid cooling system 60kW liquid cooling unit (EMW600HCNC3E Fire suppression system Aerosol (Star-X 500E, 7units), water spray pipeline, FSS detectors, FSS control panel, ventilation fans, etc.	180	4.42	817.04 ^{^4}	Jiangxi Luwen Technology Co., Ltd	March 19, 2025	September 30, 2025

5.	Switchgear GIS 33KV 2000A Made in India, supply, 33kV, 630A, 25kA/3Sec Outdoor VCB Cubical with Alu busbar.	36.00	2.98	107.28	Symatic Engineering Pvt. Ltd.	March 13, 2025	September 30, 2025
6.	Battery Module Sheet metal front panel Made in India, BPFP0000000003 Battery Module Sheet metal front panel	15,840	0.00	1.82	3S Products And Services	March 15, 2025	September 30, 2025
7.	BMU mounting frame Made in India, BPMF0000000004 BMU mounting frame	15,840	0.00	1.25	3S Products And Services	March 15, 2025	September 30, 2025
8.	Module End Bus Bar type1 Made in India, BPBB0000000001 Module End Bus Bar type 1	63,360	0.00	2.72	3S Products And Services	March 15, 2025	September 30, 2025
9.	Module end bus bar type 2 Made in India, BPBB0000000002 Module end bus bar type 2	63,360	0.00	2.79	3S Products And Services	March 15, 2025	September 30, 2025
10.	Inter cell Busbar Made in India, BPBB0000000003 Inter cell Busbar	760,320	0.00	31.17	3S Products And Services	March 15, 2025	September 30, 2025
11.	Insulated Stainless Steel belt - 13S Made in India, BPSS0013000001 Insulated Stainless Steel belt - 13S	126,720	0.00	19.64	3S Products And Services	March 15, 2025	September 30, 2025
12.	9461- Part A 294 L MOQ 2352 L Per Release Made in India, 9461- Part A 294KG MOQ 2352 Kg	10,296	0.00	4.63	Ellsworth Adhesives India Pvt Ltd	March 13, 2025	September 30, 2025
13.	2117F -Part A 19.6kg MOQ 1058.4 L Per Release Made in India, 2117F - Part A 19.6kg MOQ 1058.4 Kg Per Release	6,732	0.00	4.09	Ellsworth Adhesives India Pvt Ltd	March 13, 2025	September 30, 2025

14.	9461- Part B 294 L MOQ 2352 L Per Release Made in India, 9461- Part A 294KG MOQ 2352 Kg	10,296	0.00	4.63	Ellsworth Adhesives India Pvt Ltd	March 13, 2025	September 30, 2025
15.	2117F -Part B 19.6kg MOQ 1058.4 L Per Release Made in India, 2117F - Part A 19.6kg MOQ 1058.4 Kg	6,732	0.00	4.09	Ellsworth Adhesives India Pvt Ltd	March 13, 2025	September 30, 2025
16.	BCMU-H V3.3 (1500V Battery system) Made in China, BCMU0000000033 BCMU-H V3.3 (1500V Battery system)	1,980	0.01	19.01 ^{^5}	Kgoor	March 19, 2025	September 30, 2025
17.	Q010BMS Screen/10.1inch Kgoor Made in China, COBM0000000010 Q010BMS Screen/10.1inch Kgoor	180	0.03	5.40 ^{^6}	Kgoor	March 19, 2025	September 30, 2025
18.	Battery module bottom box (1075*780*82*2.5) Made in China, 500BBOX251 Battery module bottom box (1075*780*82*2.5)	15,840	0.02	255.70 ^{^7}	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
19.	Battery module box cover seal Made in China, BPCS000001 Battery module box cover seal	15,840	0.00	5.38 ^{^8}	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
20.	Battery Module metal front panel seal Made in China, BPPS000002 Battery Module metal front panel seal	15,840	0.00	1.25 ^{^9}	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
21.	Total positive copper bar 1 (493*145*45.8*3) Made in China, BPBB000004 Total positive copper bar 1 (493*145*45.8*3)	15,840	0.00	11.37 ^{^10}	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025

22.	New main copper bar 2 (93.8*20*36.2*3) Made in China, BPBB000005 New main copper bar 2 (93.8*20*36.2*3)	15,840	0.00	4.70 ¹¹	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
23.	Series copper busbar (120*32*18*3) Made in China, BPBB000006 Series copper busbar (120*32*18*3)	47,520	0.00	15.60 ¹²	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
24.	Total negative copper bar (103*32*46*2) Made in China, BPBB000007 Total negative copper bar (103*32*46*2)	15,840	0.00	3.64 ¹³	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
25.	Liquid cooling module end plate (175.5*162.9*18.5) Made in China, BPEP000001 Liquid cooling module end plate (175.5*162.9*18.5)	126,720	0.00	37.88 ¹⁴	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
26.	Module End Busbar support block (Red) (46*16.5*39.5) Made in China, BPBR000001 Module End Busbar support block (Red) (46*16.5*39.5)	63,360	0.00	1.93 ¹⁵	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
27.	Module End Busbar support block (black) (46*16.5*39.5) Made in China, BPBB000002 Module End Busbar support block (black) (46*16.5*39.5)	63,360	0.00	1.93 ¹⁶	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
28.	Protection cover for Support block (Red) Made in China, BPCR0000000003 Protection cover for Support block (Red)	63,360	0.00	0.46 ¹⁷	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
29.	Protection cover for Support block (Black) Made in China, BPCB0000000004 Protection cover for Support block (Black)	63,360	0.00	0.46 ¹⁸	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025

30.	CCS plastic bracket (72.6 spacing) Made in China, BPCC000001 CCS plastic bracket (72.6 spacing)	63,360	0.00	10.71 ¹⁹	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
31.	MICA SHEET between the cells Made in China, BPIN000001 MICA SHEET between the cells	887,040	0.00	26.40 ²⁰	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
32.	Box mica sheet 1 (934*149*0.6) Made in China, BPIN0000000002 Box mica sheet 1 (934*149*0.6)	31,680	0.00	2.63 ²¹	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
33.	Mica sheet for bottom box Made in China, BPIN0000000004 Mica sheet for bottom box	126,720	0.00	2.46 ²²	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
34.	Mica Sheet for module top isolation 1 Made in China, BPIN000003 Mica Sheet for module top isolation 1	31,680	0.00	2.44 ²³	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
35.	Mica Sheet for module top isolation 2 Made in China, BPIS0000000005 Mica Sheet for module top isolation 2	31,680	0.00	2.44 ²⁴	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
36.	Epoxy board - Single- sided adhesive Made in China, BPEX0000000001 Epoxy board - Single- sided adhesive	15,840	0.00	0.14 ²⁵	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
37.	Protective plastic cap for mounting screw Made in China, BPPC0000000001 protective plastic cap for mounting screw	126,720	0.00	1.28 ²⁶	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025
38.	Protective cover for terminal block Made in China, BPPC0000000001 Protective cover for terminal block	31,680	0.00	0.32 ²⁷	Kunshan Kersen Science&Technology Co., Ltd	March 13, 2025	September 30, 2025

39.	Manual Maintenance switch Socket (500A) – Orange Made in India, 3.01R RC-MSD14-Z-H-A (MSD14, 500V DC; Socket) RECODEAL	15,840	0.00	24.00	Micro devices Inc	February 28, 2025	September 30, 2025
40.	Manual Maintenance switch Plug (500A) - orange/ grey white handle Made in India, 3.653.19109 7.18R RC-MSD14-T-H-C (MSD14, PLUG) RECODEAL	15,840	0.00	38.81	Micro devices Inc	February 28, 2025	September 30, 2025
41.	Plastic Nylon rivet (R2642) Make in India, BPRT0000012642 Plastic Nylon rivet (R2642)	1,013,760	0.00	1.45	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
42.	Hexagon socket screw M6*180 (Carbon steel) Made in Inda, BPHS006180001 Hexagon socket screw M6*180 (Carbon steel)	253,440	0.00	5.27	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
43.	Standard Flat washer - M6 (Carbon steel) Made in India, BPSW0060000002 Standard Flat washer - M6 (Carbon steel)	253,440	0.00	0.05	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
44.	SS M3 Non standard thin self-locking nut (SS304) Made in India, BPNM0030000003 SS M3 Non standard thin self-locking nut (SS304)	1,378,080	0.00	1.07	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
45.	SS Pan head cross recessed flat spring integrated screw M3×8mm (SS304) Made in India, BPIN00380000004 SS Pan head cross recessed flat spring integrated screw M3×8mm (SS304)	31,680	0.00	0.04	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025

46.	SS Pan head cross recessed flat spring integrated screw M4×10mm (SS304) Made in India, BPIN0041000005 SS Pan head cross recessed flat spring integrated screw M4×10mm (SS304)	63,360	0.00	0.13	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
47.	SS Pan head cross slot flat spring integrated screw M4*12 (SS304) Made in India, BPIN0041200006 SS Pan head cross slot flat spring integrated screw M4*12 (SS304)	158,400	0.00	0.35	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
48.	SS Cross recessed hexagon head spring washer assembly bolt M5*20 (SS304) Made in India, BPHB0052000007 SS Cross recessed hexagon head spring washer assembly bolt M5*20 (SS304)	538,560	0.00	1.45	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
49.	Cross recessed hexagonal head spring washer flat washer combination bolt (Zinc nickel alloy 8.8 grade) M8*16 (Zn-Nickel Alloy 8.8 grade) Made in India, BPHZ0081600008 Cross recessed hexagonal head spring washer flat washer combination bolt (Zinc nickel alloy 8.8 grade) M8*16 (Zn-Nickel Alloy 8.8 grade)	31,680	0.00	0.10	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
50.	SS201 Pan head cross recessed flat spring integrated screw M3*5 (SS304) Made in India, BPIN0034000009 SS201 Pan head cross recessed flat spring integrated screw M3*5 (SS304)	15,840	0.00	0.02	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025

51.	SS M6 Large flat washer /inner diameter 6.4/outer diameter 15 / thickness 1.6mm (SS304) Made in India, BPFW0060000010 SS M6 Large flat washer /inner diameter 6.4/outer diameter 15 / thickness 1.6mm (SS304)	31,680	0.00	0.02	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
52.	SS Non standard thin self-locking nut M6 (SS304) Made in India, BPNM0060000011 SS Non standard thin self-locking nut M6 (SS304)	31,680	0.00	0.04	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
53.	SS Cross recessed hexagon head spring washer flat washer assembly bolt M6*16 (SS304) Made in India, BPHB0061600012 SS Cross recessed hexagon head spring washer flat washer assembly bolt M6*16 (SS304)	63,360	0.00	0.21	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
54.	SS Cross recessed hexagonal head spring washer flat washer assembly bolt M5*16 (SS304) Made in India, BPHB0051600013 SS Cross recessed hexagonal head spring washer flat washer assembly bolt M5*16 (SS304)	491,040	0.00	1.23	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025
55.	SS Standard spring washer M6 (SS304) Made in India, BPSW0060000014 SS Standard spring washer M6 (SS304)	253,440	0.00	0.64	MVD Fasteners Pvt Ltd	March 13, 2025	September 30, 2025

56.	Barcode printing paper (coated paper) 40*30*0.12(thick glue) Single row spacing 2mm/UL Certification Made in India, BPPP0000403012 Barcode printing paper (coated paper) 40*30*0.12(thick glue) Single row spacing 2mm/UL Certification	15,840	0.00	0.01	NEO LABELS INC.	March 17, 2025	September 30, 2025
57.	Battery module warning screen sticker / UL Certification Made in India, BPWN0000000001 Battery module warning screen sticker /UL Certification	15,840	0.00	0.05	NEO LABELS INC.	March 17, 2025	September 30, 2025
58.	Bar code printing paper / coated paper/40*15*0.12 (thickness with glue) single row spacing 2mm/UL certification Made in India, PPP0000401512 Bar code printing paper / coated paper/40*15*0.12 (thick with glue) single row spacing 2mm/UL certification	15,840	0.00	0.00	NEO LABELS INC.	March 17, 2025	September 30, 2025
59.	Label printing paper 80*50*0.1 (add glue thickness) single row spacing 2mm/UL Certification Made in India, BPPP0000805001 Label printing paper 80*50*0.1 (add glue thickness) single row spacing 2mm/UL Certification	15,840	0.00	0.01	NEO LABELS INC.	March 17, 2025	September 30, 2025
60.	Recyclable logo/80*50/Glue/UL Certification Made in India, BPRL0080500001 Recyclable logo/80*50/Glue/UL Certification	15,840	0.00	0.10	NEO LABELS INC.	March 17, 2025	September 30, 2025

61.	BMS - 52Voltage / 34 cell temperatures (Passive balancing) Made in India, BPBM0000005228 BMS - 52Voltage / 34 cell temperatures (Passive balancing)	15,840	0.00	57.02 ^{^28}	Kgooer	March 13, 2025	September 30, 2025
62.	Acquisition line4 (13Svoltage 8S Temperature) Bat1 & Temp1 Made in India, BPWH0000000001 Acquisition line4 (13Svoltage 8S Temperature) Bat1 & Temp1	15,840	0.00	14.07 ^{^29}	Kgooer	March 13, 2025	September 30, 2025
63.	Acquisition line3 (13Svoltage 8S Temperature) Bat2 & Temp2 Made in India, BPWH0000000002 Acquisition line3 (13Svoltage 8S Temperature) Bat2 & Temp2	15,840	0.00	14.07 ^{^30}	Kgooer	March 13, 2025	September 30, 2025
64.	Acquisition line2 (13Svoltage 8S Temperature) Bat3 & Temp3 Made in India, BPWH0000000003 Acquisition line2 (13Svoltage 8S Temperature) Bat3 & Temp3	15,840	0.00	14.07 ^{^31}	Kgooer	March 13, 2025	September 30, 2025
65.	Acquisition line1 (13Svoltage 10S Temperature) Bat4 & Temp4 Made in India, BPWH0000000004 Acquisition line1 (13Svoltage 10S Temperature) Bat4 & Temp4	15,840	0.00	14.07 ^{^32}	Kgooer	March 13, 2025	September 30, 2025
66.	PACK internal communication power adapter cable Made in India - BPPA0000000005 PACK internal communication power adapter cable	15,840	0.00	7.60 ^{^33}	Kgooer	March 13, 2025	September 30, 2025
Total				5,443.84			

All the above values are excluding GST

^{^1} USD 178,75,000 = ₹ 1,573.00 Million (1 USD = ₹ 88.00). Also, includes customs duty.

^{^2} USD 1,39,32,000 = ₹ 1,226.02 Million (1 USD = ₹ 88.00). Also, includes customs duty.

^{^3} USD 8,199,000 = ₹ 721.51 Million (1 USD = ₹ 88.00). Also, includes customs duty.

^{^4} USD 9,036,000 = ₹ 817.04 Million (1 USD = ₹ 88.00). Also, includes customs duty.

^{^5} CNY 1,584,000 = ₹19.01 Million (1CNY=₹12.00)

^{^6} CNY 450,000 = ₹5.4 Million (1CNY=₹12.00)

^{^7} CNY 21,307,968 = ₹255.7 Million (1CNY=₹12.00)

^{^8} CNY 447,955.20 = ₹5.38 Million (1CNY=₹12.00)

^{^9} CNY 104,385.60 = ₹1.25 Million (1CNY=₹12.00)

^{^10} CNY 947,865.60 = ₹11.37 Million (1CNY=₹12.00)

^{^11} CNY 392,040 = ₹4.7 Million (1CNY=₹12.00)

^{^12} CNY 1,300,147.20 = ₹15.6 Million (1CNY=₹12.00)

^{^13} CNY 303,019.20 = ₹3.64 Million (1CNY=₹12.00)

^{^14} CNY 3,156,595.2 = ₹37.88 Million (1CNY=₹12.00)

^{^15} CNY 160,934.40 = ₹1.93 Million (1CNY=₹12.00)

^{^16} CNY 160,934.40 = ₹1.93 Million (1CNY=₹12.00)

^{^17} CNY 38,649.60 = ₹0.46 Million (1CNY=₹12.00)

^{^18} CNY 38,649.60 = ₹0.46 Million (1CNY=₹12.00)

^{^19} CNY 892,742.40 = ₹10.71 Million (1CNY=₹12.00)

^{^20} CNY 2,199,859.20 = ₹26.4 Million (1CNY=₹12.00)

^{^21} CNY 219,225.60 = ₹2.63 Million (1CNY=₹12.00)

^{^22} CNY 205,286.40 = ₹2.46 Million (1CNY=₹12.00)

^{^23} CNY 203,385.60 = ₹2.44 Million (1CNY=₹12.00)

^{^24} CNY 203,385.60 = ₹2.44 Million (1CNY=₹12.00)

^{^25} CNY 11,721.60 = ₹0.14 Million (1CNY=₹12.00)

^{^26} CNY 106,444.80 = ₹1.28 Million (1CNY=₹12.00)

^{^27} CNY 26,611.20 = ₹0.32 Million (1CNY=₹12.00)

^{^28} CNY 4,752,000 = ₹57.02 Million (1CNY=₹12.00)

^{^29} CNY 1,172,160 = ₹14.07 Million (1CNY=₹12.00)

^{^30} CNY 1,172,160 = ₹14.07 Million (1CNY=₹12.00)

^{^31} CNY 117,2160 = ₹14.07 Million (1CNY=₹12.00)

^{^32} CNY 117,2160 = ₹14.07 Million (1CNY=₹12.00)

^{^33} CNY 633,600 = ₹7.6 Million (1CNY=₹12.00)

As certified by Arimbur Kunjipallu Rappai, Chartered Engineer, pursuant to a certificate dated September 19, 2025.

Balance of systems

The estimated expenditure towards balance of systems, which we propose to deploy from the Net Proceeds is ₹ 380.48 million. Set out in the table below is a break-up of the estimated cost towards purchasing balance of systems:

Sr. No.	Nature of work	Quantity	Cost per Unit	Total Cost	Details in relation to Quotations Obtained		
			(in ₹ million)		Name of the Vendor	Date of Quotation / Purchase Order	Validity of the Quotation / Purchase Orders
1	Transformer 10MVA+2.5MVA, Auxiliary transformer 300KVA Made in India, 10,000 kVA, 33/4X0.690 kV Inverter Duty Transformer Aluminium wound with first filling of oil with OCTC along with fittings and accessories and technical	36	10.12	364.32	Transcon Industries	March 13, 2025	September 30, 2025

Sr. No.	Nature of work	Quantity	Cost per Unit	Total Cost	Details in relation to Quotations Obtained		
			(in ₹ million)	(in ₹ million)	Name of the Vendor	Date of Quotation / Purchase Order	Validity of the Quotation / Purchase Orders
	details as per the attached GTP (2 CCA in one Tank) 2,500 kVA, 33/0.690 kV Inverter Duty Transformer Aluminium wound with first filling of oil with OCTC along with fittings and accessories						
2	EMS hardware - Control Host Made in China, Gateway for Container BEMS-003	36	0.14	5.07*	CESC Electronics	March 17, 2025	September 30, 2025
3	EMS hardware-Gateway Made in China, Gateway for Container BEMS-003	180	0.06	11.09**	CESC Electronics	March 17, 2025	September 30, 2025
Total				380.48			

All the above values are excluding GST

* USD 57,600 = ₹5.07 Million (1 USD = ₹ 88.00)

** USD 126,000 = ₹ 11.09 Million (1 USD = ₹ 88.00)

As certified by Arimbur Kunjipallu Rappai, Chartered Engineer, pursuant to a certificate dated September 19, 2025.

Civil works expenses

The estimated expenditure towards civil works expenses, which we propose to deploy from the Net Proceeds is ₹ 324.00 million. Set out in the table below is a break-up of the estimated cost towards civil works expenses:

Sr. No.	Nature of work	Quantity	Cost per Unit	Total Cost	Details in relation to Quotations Obtained		
			(in ₹ million)	(in ₹ million)	Name of the Vendor	Date of Quotation / Purchase Order	Validity of the Quotation / Purchase Orders
1	Civil work (for container, power conversion system, transformers, fencing and ground levelling)	36	9.00	324.00	Surolit Energy Private Limited	March 19, 2025	September 30, 2025

Sr. No.	Nature of work	Quantity	Cost per Unit	Total Cost	Details in relation to Quotations Obtained		
			(in ₹ million)	(in ₹ million)	Name of the Vendor	Date of Quotation / Purchase Order	Validity of the Quotation / Purchase Orders
Total				324.00			

As certified by Arimbur Kunjipallu Rappai, Chartered Engineer, pursuant to a certificate dated September 19, 2025.

Transportation

The estimated expenditure towards transportation which we propose to deploy from the Net Proceeds is ₹ 151.68 million. Set out in the table below is a break-up of the estimated cost towards transportation cost:

Sr. No.	Nature of work	Quantity	Cost per Unit	Total Cost	Details in relation to Quotations Obtained		
			(in ₹ million)	(in ₹ million)	Name of the Vendor	Date of Quotation / Purchase Order	Validity of the Quotation / Purchase Orders
1	Material transportation cost from Chennai Port to Bidadi*	400	0.09	36.00	Mahaveer Transport Private Limited	March 19, 2025	September 30, 2025
2	Material transportation cost from Bidadi to 36 locations**	180	0.35	63.00	Mahaveer Transport Private Limited	March 19, 2025	September 30, 2025
3	Road Survey***	-	0.00	5.00	Mahaveer Transport Private Limited	March 19, 2025	September 30, 2025
4	Unloading charges	180	0.20	36.00	Mahaveer Transport Private Limited	March 19, 2025	September 30, 2025
5	Telescopic 150MT - 180MT capacity tyre mounting crane charges	36	0.32	11.68	Emirates Logistics	March 19, 2025	September 30, 2025
Total				151.68			

*The imported materials (including lithium-ion batteries and their components) will be delivered by vendors at the Chennai Port and will be transported to our Manufacturing Facility 3 in Bidadi, Karnataka. The total cost of ₹ 36.00 million is proposed to be incurred for material transportation cost from Chennai Port to our Manufacturing Facility 3 in Bidadi, Karnataka.

**After manufacturing and assembly at the Manufacturing Facility 3 in Bidadi, Karnataka, the finished products will be transported to 36 designated locations. The total cost of ₹ 63.00 million is proposed to be incurred as logistics expense involved in transporting the finished products from the Manufacturing Facility 3 in Bidadi, Karnataka to these 36 designated locations.

*** Road Survey involves transportation organizations conducting detailed road surveys to assess terrain, road geometry, and highway accessibility, particularly in respect of transportation of large cargo to hilly or remote areas. A key tool used is LiDAR (Light Detection and Ranging), which employs laser pulses to create high-resolution 3D maps of the terrain, capturing minute details like road gradients, surface conditions, and clearance heights. These surveys help identify potential bottlenecks such as sharp curves, narrow bridges, or low overpasses. To validate the feasibility, a trial run with dummy cargo will be performed, simulating real transport conditions and ensuring the route can safely accommodate the actual equipment. The total cost of ₹ 5.00 million is proposed to be incurred for these Road Survey.

As certified by Arimbur Kunjipallu Rappai, Chartered Engineer, pursuant to a certificate dated September 19, 2025.

Government Approvals

Set out below is a list of material approvals required for setting up the MSSEDCL BESS Project along with the stages at which such approvals are required:

Sr. No.	Approval Required	Stage at which Approval is required
1.	Maharashtra Electricity Regulatory Commission approval for tariff adoption	Approval received on March 20, 2025
2.	Approval to initiate Civil Electrical work	Before installation of equipments.
3.	Fire safety code to be adhered	During construction
4.	CEIG approval	After installation of equipments.

Means of finance

The total estimated cost for Capital Expenditure is ₹ 15,689.97 million. As of August 31, 2025, our Company and Pace Renewable Energies Private Limited have not deployed any funds towards the proposed Capital Expenditure to be funded from the Net Proceeds (as certified by S S Kothari Mehta & Co. LLP, Statutory Auditors of our Company, pursuant to their certificate dated September 19, 2025). As on August 31, 2025, our Company has paid an amount of ₹ 59.37 million, and our Subsidiaries, Lineage Power Private Limited and Pace Renewable Energies Private Limited (whose financials are consolidated with our Company's financials) have paid an amount of ₹ 738.66 million and ₹ 99.95 million, respectively, towards the balance amount of capital expenditure for the MSEDCL BESS Project (i.e., the amount other than the amount to be funded from Net Proceeds).

Our Company proposes to utilise ₹ 6,300.00 million from the Net Proceeds to partly fund the Capital Expenditure and the balance amount will be funded from debt and identifiable internal accruals of our Company as per the details included below:

Sr. No.	Source of funds	Amount (in ₹ million)
(A)	Total Capital Expenditure (excluding GST of ₹ 2,824.19 million)	15,689.97
(B)	Amount deployed as on August 31, 2025	897.97*
(C)	Amount to be funded from Net Proceeds	6,300.00
(D)	Balance amount (A-(B+C)) (D) (including GST)	11,334.19
(E)	Firm commitment (minimum 75% of D)	
	- MSEDCL IREDA Loan	12,215.00
	Total firm commitment	100.00%

*Our Company has paid an amount of ₹ 59.37 million, and our Subsidiaries, Lineage Power Private Limited and Pace Renewable Energies Private Limited (whose financials are consolidated with our Company's financials) have paid an amount of ₹ 738.66 million and ₹ 99.95 million, respectively.

As certified by S S Kothari Mehta & Co. LLP, Statutory Auditors of our Company, pursuant to the certificate dated September 19, 2025 in respect of amounts deployed towards the Capital Expenditure.

Accordingly, we confirm that we are in compliance with Regulation 7(1) of the SEBI ICDR Regulations and have made firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals, as prescribed 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 acquiring future redevelopment projects and general corporate purposes to the extent that the amount to be utilised towards acquiring future redevelopment projects and general corporate purposes will not individually exceed 25%, respectively, and will not collectively exceed 35% of the Gross Proceeds in accordance with Regulation 7(3) of the SEBI ICDR Regulations.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds towards our Capital Expenditure requirements are based on our management estimates, current and valid quotations from vendors, and other commercial and technical factors. However, except for a techno economic viability report issued by Dun & Bradstreet dated June 17, 2025 for the MSEDCL BESS Project, such total estimated cost and related fund requirements for use of Net Proceeds towards Capital Expenditure requirements have not been appraised by any bank or financial institutions.

Further, our Promoters, Directors, Key Managerial Personnel and Senior Managerial Personnel do not have any interest in the proposed Capital Expenditure or in the entity from whom we have obtained quotations in relation to such proposed Capital Expenditure.

2. General Corporate Purposes

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

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include meeting ongoing general corporate exigencies, expenses incurred in the ordinary course of business, strategic initiatives, business development initiatives, meeting ongoing general corporate contingencies, organic or inorganic growth, other expenses including salaries, employee welfare activities, administration, insurance, repairs and maintenance, payment of taxes and duties and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. However, our Company will not utilise the funds earmarked towards general corporate purposes raised through the Fresh Issue towards Capital Expenditure for which the funds are raised through the Fresh Issue. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount(s) during Fiscal 2027. Further, our Company will utilise the amount in accordance with applicable law.

Issue related expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The Issue related expenses primarily include, among other things, fees payable to the BRLM and legal counsel, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs and CDPs, SCSBs' fees, Sponsor Banks' fees, the Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The estimated Issue related expenses are set out below:

Activity	Estimated expenses ⁽¹⁾	As a percentage of the total estimated Issue expenses ⁽¹⁾	As a percentage of the total Issue size ⁽¹⁾
	(₹ million)	(%)	(%)
BRLM fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission/processing fee for SCSBs, Sponsor Banks and fee payable to the Sponsor Banks for Bids made by RIBs ⁽²⁾⁽³⁾	[●]	[●]	[●]
Brokerage and selling commission and bidding/uploading charges for members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs ⁽²⁾⁽³⁾	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Others	[●]	[●]	[●]
(i) Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
(ii) Printing and stationery expenses	[●]	[●]	[●]
(iii) Advertising and marketing expenses	[●]	[●]	[●]
(iv) Fees payable to legal counsel	[●]	[●]	[●]
(v) Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

- (1) Amounts will be finalized and incorporated in the Prospectus on determination of Issue Price.
- (2) Selling commission payable to members of the Syndicate, SCSBs, RTAs and CDPs on the amounts received against the Equity Shares Allotted (i.e. product of the Equity Shares Allotted and the Issue price) would be as follows:

- a. Portion for Retail Individual Bidders - 0.25% of the Amount Allotted (plus applicable taxes)
- b. Portion for Non-Institutional Bidders - 0.15% of the Amount Allotted (plus applicable taxes)

Further, bidding charges of ₹ 10/- (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured by them. Selling commission payable to the Registered Brokers on the portion for Retail Individual Investors and Non-Institutional Investors, which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ 10/- per valid Bid cum Application Form (plus applicable goods and services tax). In case the total bidding and processing charges payable exceeds ₹ 0.50 million, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 0.50 million (Based on valid Bid cum Application Forms).

- (3) Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ 10/- per valid Bid cum Application Form (plus applicable taxes). In case the total processing charges payable exceeds ₹ 0.50 million, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 0.50 million (Based on valid Bid cum Application Forms).

Processing fees for applications made by Retail Individual Investors and Non-Institutional Investors using the UPI Mechanism would be as follows:

RTAs / CDPs/ Registered Brokers	₹ 10/- per valid Bid cum Application Form (plus applicable taxes)*
Sponsor Bank(s)	HDFC Bank Limited - ₹ Nil
	Kotak Mahindra Bank-
	- up to 9,00,000 Valid UPI Applications ₹ Nil /- per valid application
	- above 9,00,000 UPI valid applications – as per mutually agreed terms.
	The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.

*In case the total processing charges payable under this head exceeds ₹ 0.50 million, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 0.50 million.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / Sub-Syndicate Members shall not be able to accept Bid Cum Application Form above ₹ 500,000 and the same Bid Cum Application Form needs to be submitted to SCSBs for blocking of fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Members to SCSB, a special Bid Cum Application Form with a heading / watermark, 'Syndicate ASBA' may be used by Syndicate / Sub-Syndicate Member along with SM code and Broker code mentioned on the Bid Cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RIB Bids and NIB Bids up to ₹ 500,000 will not be eligible for brokerage.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our

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

Bridge Loan

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

Monitoring of Utilization of Funds

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

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

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

Variation in Objects of the Issue

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

Appraising Agency

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

Other confirmations

No part of the Net Proceeds will be utilized by our Company as consideration to our Promoters, members of our Promoter Group, our Directors, our Subsidiaries, Key Managerial Personnel, Senior Management or Group Companies. Our Company has not entered into or is not planning to enter into any arrangement/agreements with our Promoters, members of our Promoter Group, our Directors, our Subsidiaries, Key Managerial Personnel, Senior Management or Group Companies in relation to the utilization of the Net Proceeds of the Issue. Further,

except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects of the Fresh Issue as set out above.

BASIS FOR THE ISSUE PRICE

The Price Band and the Issue Price will be determined by our Company in consultation with the Book Running Lead Manager, and on the basis of assessment of market demand for the Equity Shares of face value of ₹ 2 each issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value.

Bidders should read below mentioned information along with the 'Risk Factors', 'Our Business', 'Financial Information' and 'Management Discussion and Analysis of Financial Condition and Results of Operations' on pages 36, 274, 361, and 467 respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue Price are as follows

1. We are an end-to-end solutions provider with integrated operations in the telecom tower sector - We provide solutions in the telecom tower and optical fibre sectors, covering manufacturing, EPC project execution, product lifecycle services, and operations & maintenance;
2. Diversified business segments with strong order book - We began as a manufacturer of electrical equipment for the telecom industry and have evolved into a comprehensive Telecom Infra solutions provider, offering products, projects, O&M, and services;
3. Experienced Board of Directors, senior management personnel and employees - We operate in a technically complex, R&D-driven industry and have built strong in-house capabilities led by a technocrat promoter and a qualified senior management team. Our 17-member R&D team, based at our corporate office, continuously works to enhance our product suite and system design. As of July 31, 2025, we had 19 technically qualified employees, we execute most project functions in-house ensuring cost efficiency, timely delivery, and greater control over operations;
4. Advanced manufacturing facilities with production efficiency - Through our Subsidiary, Lineage, we operate two manufacturing facilities in Bengaluru and have recently started operating a third for BESS in Bidadi, Karnataka. Our 3 manufacturing facilities are spread across 200,000 square feet. The existing facilities are certified with ISO 9001:2015, ISO 14001:2015, ISO/IEC 27001:2022, ISO 20000:2018, and CMMi Level 3, supporting our operational efficiency and product quality; and
5. Track record of financial and operational performance with profitable growth - We have had a track record of growth in our revenue from operations, EBITDA and profit after tax in the immediately 3 preceding Fiscals.

For further details, see 'Our Business' on page 274.

Quantitative Factors

The information presented in this section is derived from our Restated Consolidated Financial Information. For details, see 'Financial Information' on page 361. Investors should evaluate our Company and form their decisions taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

1. Basic and Diluted Earnings per Share (EPS), as adjusted for changes in capital.

Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2025	16.30	16.30	3
Fiscal 2024	14.63	14.63	2
Fiscal 2023	0.95	0.95	1
Weighted Average	13.18	13.18	-

Notes:

- a) As derived from the Restated Consolidated Financial Information of our Company.

- b) *Basic and Diluted Earnings per Share (₹) = Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year divided by the weighted average no. of equity shares of face value ₹ 2 each. The weighted average number of Equity Shares outstanding during the year is adjusted for the bonus issue of Equity Shares.*
- c) *Basic EPS and diluted EPS calculations are in accordance with Indian Accounting Standard 33 'Earnings per Share'.*
- d) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights, i.e. (EPS x weight) for each year divided by the total of weights.*

2. Price / Earning (P/E) Ratio in relation to Price band of ₹ [●] to ₹ [●] per Equity Share

Particulars	P/E at the lower end of the price band (no. of times) *	P/E at the higher end of the price band (no. of times) *
a) P/E ratio based on Basic EPS as at March 31, 2025	[●]	[●]
b) P/E ratio based on Diluted EPS as at March 31, 2025	[●]	[●]

**To be updated at Prospectus stage*

Industry Price / Earning (P/E) Ratio

Based on the peer company information (excluding our Company) given below in this section:

Particulars (Industry P/E Ratio)	P/E ratio
Highest	60.07
Lowest	37.76
Average	48.92

Note: P/E ratio has been computed based on the closing market price of equity shares on NSE and BSE as on September 15, 2025, divided by the diluted EPS for the year ended March 31, 2025.

3. Return on Net Worth (RONW):

Year ended	RoNW (%)	Weight
Fiscal 2025	22.87%	3
Fiscal 2024	40.67%	2
Fiscal 2023	4.49%	1
Weighted Average	25.74%	-

Notes:

- a) *As derived from the Restated Consolidated Financial Information of our Company.*
- b) *Return on Net worth is calculated as restated, profit attributable to the owners of the company divided by the total equity excluding non-controlling interest at the end of the relevant year.*
- c) *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year / Total of weights.*

4. Net Asset Value (NAV) per Equity Share

Financial Year	Net Asset Value per equity shares
As of March 31, 2025	71.24
After Completion of the Issue	
- At the Floor Price	[●]
- At the Cap Price	[●]
Issue Price	[●]

Notes:

Net asset value per equity share is calculated as net worth as of the end of relevant year divided by weighted average number of equities shares outstanding at the end of the year. Net worth represents the aggregate value of equity share capital and other equity and are based on Restated Consolidated Financial Information.

5. Comparison with listed industry peer:

The following peer group has been determined based on the companies listed on the Stock Exchanges:

Name of the Company	For the year ended March 31, 2025						
	Face value (₹)	Revenue from operations (₹ in Millions)	Basic EPS ⁽¹⁾ (₹)	Diluted EPS ⁽¹⁾ (₹)	P/E (based on Diluted EPS)	Return on net worth (%)	NAV per Equity Share (₹)
Pace Digitek Limited	2	24,387.80	16.30	16.30	[●]	22.87%	71.24
Peer Group							
HFCL Limited	1	40,645.20	1.23	1.23	60.07	4.35%	28.28
Exicom Tele-Systems Limited	10	8,676.06	(9.11)	(9.11)	NA ⁽⁶⁾	(17.93%)	64.35
Bondada Engineering Limited	2	15,713.77	10.33	10.28	37.76	25.05%	41.24

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis as available sourced from the financial Reports of the peer company uploaded on the NSE and BSE website for the year ended March 31, 2025.

Notes:

1. Basic and Diluted EPS for peers are sourced from the audited financial statements for the relevant year.
2. P/E Ratio has been computed based on the closing market price of equity shares on the NSE and BSE website on September 15, 2025, divided by the Diluted EPS.
3. RoNW is computed as net profit after tax attributable to owners of the company divided by total closing equity attributable to the owners of the company.
4. NAV is computed as the closing net worth divided by the weighted average outstanding number of equity shares.
5. The data derived for the Peers have been obtained from the official announcements made by the companies with the stock exchanges.
6. Exicom Tele-Systems Limited has reported a loss for the financial year ended March 31, 2025. Hence the P/E is reported as NA. Also, for the calculation of Average P/E (based on Diluted EPS), Exicom Tele-Systems Limited has not been considered.

Bidders should read the above-mentioned information along with 'Risk Factors', 'Our Business', 'Management Discussion and Analysis of Financial Position and Results of Operations' and 'Financial Information' on pages 36, 274, 467 and 361, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the 'Risk Factors' and you may lose all or part of your investments.

6. Key financial performance indicators ("KPIs")

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

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

KPI	Explanations
Financial KPI	
Revenue from Operations (₹ Millions)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
EBITDA (₹ Millions)	EBITDA provides information regarding the operational efficiency of the

KPI	Explanations
	business and operating EBITDA is net of other income
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ Millions)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.
NAV / Book Value	Net Asset Value / Book Value is the per share value derived by the shareholder for the shareholder's equity.
Return on Net Worth	Return on Net Worth is the return derived by the shareholders from the net profit earned by the company.
Operational KPI	
Telecom towers installed (in Nos.)	Telecom towers installed (in Nos.) means the number of Telecom towers installed and commissioned during the respective period for the turnkey projects.
OFC network laid (in kms)	OFC network laid (in kms) is the length of Optical Fibre Cables laid in arial or underground for the turnkey projects.
Telecom Power equipment (in Nos.)	Telecom Power equipment (in Nos.) is the Number of Switch Mode Power Supply Unit and Charge Control Unit manufactured.
Lithium-Ion Battery Racks (in Nos.)	Lithium-Ion Battery Racks (in Nos.) is the Number of Lithium-ion battery racks manufactured.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 19, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by M/s MRKS and Associates, the Independent Chartered Accountant, by their certificate dated September 19, 2025.

KPI of our Company

Sr No.	KPI	As of and for the Fiscal		
		2025	2024	2023
Financial KPI				
1.	Revenue from operations (₹ in millions)	24,387.80	24,344.89	5,031.96
2.	Growth in Revenue (%)	0.18%	383.81%	-
3.	Total income (₹ in millions)	24,622.02	24,602.66	5,146.59
4.	EBITDA (₹ in millions)	5,051.28	4,237.45	397.48
5.	Growth in EBITDA (%)	19.21%	966.08%	-
6.	EBITDA Margin (%)	20.71%	17.41%	7.90%
7.	Profit after tax (₹ in millions)	2,791.02	2,298.71	165.33

Sr No.	KPI	As of and for the Fiscal		
		2025	2024	2023
8.	Growth in PAT (%)	21.42%	1,290.38%	-
9.	EPS (in ₹)	16.30	14.63	0.95
10.	Growth in EPS %	11.39%	1,435.37%	-
11.	PAT Margin (%)	11.44%	9.44%	3.29%
12.	Growth in PAT Margin (%)	21.20%	187.38%	-
13.	Return on Equity (ROE) (%)	23.09%	40.53%	4.93%
14.	Debt To Equity Ratio (in times)	0.13	0.87	0.57
15.	Interest Coverage Ratio (in times)	4.33	3.74	2.84
16.	Return on Capital Employed (ROCE) (%)	37.89%	40.85%	6.99%
17.	Current Ratio (in times)	1.72	1.25	1.45
18.	Net Capital Turnover Ratio (in times)	2.52	6.03	2.43
19.	NAV / Book Value (in ₹)	71.24	35.97	21.22
20.	Return on Net Worth (%)	22.87%	40.67%	4.49%
Operational KPI				
21.	Telecom towers installed (in Nos.)	3,740	2,305	Nil
22.	OFC network laid (in kms)	6,619	11,827	197
23.	Telecom Power equipment (in Nos.)	4,234	6,126	7,109
24.	Lithium-Ion Battery Racks (in Nos.)	3,308	6,026	Nil

Note:

- a) Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Information.
- b) Growth in Revenue means growth in % terms of the current year as compared to the preceding year.
- c) Total Income means the sum of Revenue from Operations and Other Income
- d) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from continued operations and exceptional items.
- e) Growth in EBITDA % means growth in % terms of the current year as compared to the preceding year.
- f) EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- g) Profit after Tax refers to sum of total income less total expenses after considering the tax expense
- h) Growth in PAT % means growth in % terms of the current year as compared to the preceding year.
- i) EPS is Earnings per share calculated as Profit attributable to shareholders of the company divided by the weighted average number of shares outstanding during the period.
- j) Growth in EPS % means growth in % terms of the current year as compared to the preceding year
- k) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
- l) Growth in Net profit margin is calculated as growth in % terms of the current year as compared to the preceding year.
- m) Return on equity (RoE) is equal to profit for the year divided by the total equity and is expressed as a percentage.
- n) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
- o) The Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by interest expense.
- p) Return on Capital Employed (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as net worth and total debt less the ROU Assets, intangible assets and Net Deferred Tax (Assets).
- q) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- r) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
- s) NAV is defined as Net Asset Value and is calculated as Shareholders Net worth divided by the weighted average number of shares outstanding during the period.
- t) Return on Net Worth is calculated as Profit attributable to shareholders of the company divided by the net worth i.e., shareholders equity.
- u) Telecom towers installed (in Nos.) means the number of Telecom towers installed and commissioned during the respective period for the turnkey projects.
- v) OFC network laid (in kms) is the length of Optical Fibre Cables laid in arial or underground for the turnkey projects.

- w) *Telecom Power equipment (in Nos.) is the Number of Switch Mode Power Supply Unit and Charge Control Unit manufactured*
- x) *Lithium-Ion Battery Racks (in Nos.) is the Number of Lithium-ion battery racks manufactured.*

See 'Management Discussion and Analysis of Financial Position and Results of Operations' on page 467 for the reconciliation and the manner of calculation of our key financial performance indicators.

(Remainder of this page has been intentionally left blank)

Comparison of KPIs of our Company and our listed peers

Peers	Pace Digitek Limited			HFCL Limited			Exicom Tele-Systems Limited			Bondada Engineering Limited		
Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Financial KPI												
Revenue From operations (₹ in millions)	24,387.80	24,344.89	5,031.96	40,645.20	44,650.50	47,433.10	8,676.06	10,195.98	7,079.31	15,713.77	8,007.22	3,705.89
Growth in Revenue (%)	0.18%	383.81%	-	(8.97%)	(5.87%)	-	(14.91%)	44.03%	-	96.24%	116.07%	-
Total income (₹ in millions)	24,622.02	24,602.66	5,146.59	41,226.40	45,665.70	47,904.00	8,988.00	10,385.01	7,233.99	15,797.51	8,037.21	3,710.09
EBITDA (₹ in millions)	5,051.28	4,237.45	397.48	5,071.10	6,830.60	6,657.70	(61.71)	1,309.87	677.78	1,833.16	714.75	302.14
Growth in EBITDA (%)	19.21%	966.08%	-	(25.76%)	2.60%	-	(104.71%)	93.26%	-	156.47%	136.57%	-
EBITDA Margin (%)	20.71%	17.41%	7.90%	12.48%	15.30%	14.04%	(0.71%)	12.85%	9.57%	11.67%	8.93%	8.15%
Profit after tax (₹ in millions)	2,791.02	2,298.71	165.33	1,732.60	3,375.20	3,177.10	(1,100.32)	639.16	326.74	1,153.68	463.06	171.34
Growth in PAT (%)	21.42%	1290.38%	-	(48.67%)	6.24%	-	(272.15%)	95.62%	-	149.14%	170.26%	-
EPS (in ₹)	16.30	14.63	0.95	1.23	2.33	2.18	(9.11)	6.70	3.55	10.33	4.63	1.73
Growth in EPS (%)	11.39%	1435.37%	-	(47.24%)	6.80%	-	(235.95%)	88.53%	-	123.11%	167.18%	-
PAT Margin (%)	11.44%	9.44%	3.29%	4.26%	7.56%	6.70%	(12.68%)	6.27%	4.62%	7.34%	5.78%	4.62%
Growth in PAT Margin (%)	21.20%	187.38%	-	(43.61%)	12.86%	-	(302.31%)	35.82%	-	26.95%	25.08%	-
Return on Equity (ROE) (%)	23.09%	40.53%	4.93%	4.21%	8.44%	10.10%	(17.93%)	8.86%	14.08%	24.19%	27.58%	20.79%
Debt To Equity Ratio (in times)	0.13	0.87	0.57	0.33	0.24	0.24	0.74	0.04	0.51	0.38	0.37	1.02
Interest Coverage	4.33	3.74	2.84	2.17	4.08	3.83	(1.44)	5.85	2.70	7.23	7.96	5.08

Peers	Pace Digitek Limited			HFCL Limited			Exicom Tele-Systems Limited			Bondada Engineering Limited		
Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Ratio (in times)												
Return on Capital Employed (ROCE) (%)	37.89%	40.85%	6.99%	8.16%	13.12%	15.91%	(9.61%)	15.76%	17.45%	27.35%	30.75%	17.19%
Current Ratio (in times)	1.72	1.25	1.45	1.86	2.08	1.91	1.74	3.32	1.56	1.46	1.42	1.40
Net Capital Turnover Ratio (in times)	2.52	6.03	2.43	1.64	1.90	2.45	2.11	1.68	3.45	5.01	6.01	5.67
NAV / Book Value (in ₹)	71.24	35.97	21.22	28.28	27.95	22.53	64.35	75.65	25.24	41.24	16.80	8.11
Return on Net Worth (%)	22.87%	40.67%	4.49%	4.35%	8.34%	9.69%	(17.93%)	8.86%	14.08%	25.05%	27.55%	21.36%
Operational KPI												
Telecom towers installed (in Nos.)	3,740	2,305	Nil	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
OFC network laid (in kms)	6,619	11,827	197	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
Telecom Power equipment (in Nos.)	4,234	6,126	7,109	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
Lithium-Ion Battery Racks (in Nos.)	3,308	6,026	Nil	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available

Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Information.
- Growth in Revenue means growth in % terms of the current year as compared to the preceding year.
- Total Income means the sum of Revenue from Operations and Other Income
- EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from continued operations and exceptional items.
- Growth in EBITDA % means growth in % terms of the current year as compared to the preceding year.
- EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Profit after Tax refers to sum of total income less total expenses after considering the tax expense
- Growth in PAT % means growth in % terms of the current year as compared to the preceding year.

- i) *EPS is Earnings per share calculated as Profit attributable to shareholders of the company divided by the weighted average number of shares outstanding during the period.*
- j) *Growth in EPS % means growth in % terms of the current year as compared to the preceding year.*
- k) *Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.*
- l) *Growth in Net profit margin is calculated as growth in % terms of the current year as compared to the preceding year.*
- m) *Return on equity (RoE) is equal to profit for the year divided by the total equity and is expressed as a percentage.*
- n) *Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).*
- o) *The Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by interest expense.*
- p) *Return on Capital Employed (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as net worth and total debt less the ROU Assets, intangible assets and Net Deferred Tax (Assets).*
- q) *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*
- r) *Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).*
- s) *NAV is defined as Net Asset Value and is calculated as Shareholders Net worth divided by the weighted average number of shares outstanding during the period.*
- t) *Return on Net Worth is calculated as Profit attributable to shareholders of the company divided by the net worth i.e., shareholders equity.*
- u) *Telecom towers installed (in Nos.) means the number of Telecom towers installed and commissioned during the respective period for the turnkey projects.*
- v) *OFC network laid (in kms) is the length of Optical Fibre Cables laid in arial or underground for the turnkey projects.*
- w) *Telecom Power equipment (in Nos.) is the Number of Switch Mode Power Supply Unit and Charge Control Unit manufactured*
- x) *Lithium-Ion Battery Racks (in Nos.) is the Number of Lithium-ion battery racks manufactured.*

The data derived for the Peers have been obtained from the financial statements of the peers available on the websites of BSE and NSE.

7. Weighted average cost of acquisition (“WACA”), floor price and cap price

- a) *Price per share of the Company based on primary issuances of Equity Shares or convertible securities (excluding issuance of Equity Shares under ESOS or pursuant to a bonus issue) during the 18 months preceding the date of this 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-transaction capital before such transactions) in a single transaction or multiple transactions combined together over a span of rolling 30 days.*

Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ Millions)
August 27, 2024	119,050	10.00	4,200.00	Private Placement	Cash	500.01
September 18, 2024	340,926	10.00	4,200.00	Private Placement	Cash	1,431.89
October 11, 2024	250,000	10.00	4,200.00	Private Placement	Cash	1,050.00
Weighted average cost of acquisition (WACA) before adjusting sub-division and bonus issue of Equity Shares						4,200
Weighted average cost of acquisition (WACA) after adjusting sub-division and bonus issue of Equity Shares						140

- b) *Price per share of the Company based on secondary sale or acquisition of Equity Shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction, during the 18 months preceding the date of filing of this Red Herring Prospectus, where the 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-transaction capital before such transactions), in a single transaction or multiple transactions combined together over a span of rolling 30 days. There are no transactions as stated above.*

Floor price and cap price being [●] times the weighted average cost of acquisition (WACA) based on primary/secondary transaction(s) as disclosed in terms of clause (a) and (b), shall be disclosed in the following manner:

Past Transactions	Weighted average cost of acquisition	Floor Price	Cap Price
	(in ₹)	(i.e. ₹ /●)*	(i.e. ₹ /●)*
Past 5 primary issuances /secondary transactions, as disclosed above	140	[●]	[●]

Weighted average cost of acquisition is adjusted for sub-division and bonus issue of Equity Shares

*To be updated at Prospectus stage

Weighted Average cost of Acquisition (WACA) to Cap Price

Period	WACA (INR)	Floor Price (₹ [●]) is 'X' times the WACA	Cap Price (₹ [●]) is 'X' times the WACA
For 3 years	Not Applicable	[●]	[●]
Last 18 months	140	[●]	[●]
For 1 year	140	[●]	[●]

Weighted average cost of acquisition is adjusted for sub-division and bonus issue of Equity Shares

c) Justification for Basis for Issue Price

Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's key performance indicators and the Fiscals 2025, 2024 and 2023.

[●]*

**To be included upon finalization of Price Band*

d) The Issue Price is [●] times of the Face Value of the Equity Shares.

The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with 'Risk Factors', 'Our Business', 'Management Discussion and Analysis of Financial Position and Results of Operations' and 'Financial Information' on pages 36, 274, 467, and 467, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the 'Risk Factors' and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Auditor's Report on special tax benefits

To,

The Board of Directors

Pace Digitek Limited

(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

Plot # V-12, Industrial Estate, Kumbalgodu

Bangalore Mysore Highway

Bangalore, Karnataka-560074, India.

Subject: Statement of possible special tax benefits (the "Statement") available to Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) (the "Company") and its shareholders prepared in accordance with the requirement under Schedule VI – Part A – Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations") in relation to proposed initial public offer of equity shares of face value of ₹ 2 each (the "Equity Shares") comprising of a fresh issue of Equity Shares (the "Issue").

1. We hereby report that the enclosed statement of special tax benefit (the "Statement") (annexed hereto as "Annexure-II") prepared by the Company, initialled by us for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its material subsidiaries, which is defined in **Annexure-I (List of Material Subsidiary considered as part of the Statement)**, under Income Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, applicable goods and services tax legislations, as promulgated by various states in India, Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2023-2028 (as extended) including the rules, regulations, circulars, orders and notifications issued thereunder (collectively the "Taxation Laws"), including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws and the Foreign Trade Policy 2023-2028 vide Notification No. 1/2023 dated March 31, 2023 and applicable to the Assessment Year 2025-26 relevant to the Financial Year (FY) 2024-25.
2. The benefits discussed in the enclosed Annexure-II cover the possible special tax benefits available to the Company, its shareholders and its material subsidiaries and do not cover any general tax benefits available to the Company, its shareholders and its material subsidiaries. These benefits are dependent on the Company or its material subsidiaries or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or its material subsidiaries or the shareholders of the Company to derive the possible special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives, the Company may face in the future and accordingly, the Company or its material subsidiaries or the shareholders of the Company may or may not choose to fulfil. The statement is 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 offer of equity shares of the Company (**the "Proposed Issue"**) 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.
3. We have conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India which requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and in accordance with the 'Guidance Note on Reports in Company Prospectuses' (Revised 2019).
4. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and

Related Services Engagements' issued by the ICAI.

5. We do not express any opinion or provide any assurance as to whether:
 - a) the Company, its shareholders and its material subsidiaries will continue to obtain these possible special tax benefits in future; or
 - b) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.
6. The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.
7. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this statement, except as per applicable law.
8. We hereby give consent to include this statement in the Red Herring Prospectus, and in any other material used in connection with the Proposed Issue, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm Registration No: 000756N/N500441

AMIT GOEL

Partner

Membership No: 500607

Place: New Delhi

Dated: September 08, 2025

UDIN: 25500607BMLAWM4068

Encl: As above

CC:

Legal Counsel to the Issue as to Indian Laws

Bharucha & Partners

13th Floor Free Press House

Free Press Journal Marg, Nariman Point,

Mumbai - 400021, India

Book Running Lead Manager ("BRLM")

Unistone Capital Private Limited

305, A Wing, Dynasty Business Park,

Andheri Kurla Road, Andheri East,

Mumbai – 400059,

Maharashtra, India

Annexure-I of the Auditor's Certificate dated September 08, 2025 on statement of possible special tax benefits (the "Statement") available to Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) (the "Company") and its shareholders prepared in accordance with the requirement under Schedule VI – Part A – Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations").

List of material subsidiary –

1. Lineage Power Private Limited
2. Pace Renewable Energies Private Limited

Note 1: Material subsidiaries identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose income or net worth in the immediately preceding accounting year (i.e. March 31, 2024) exceeds 10% of the consolidated income or consolidated net worth respectively, of the holding company and its subsidiaries in the immediately preceding year.

For Pace Digitek Limited

(Formerly known as Pace Digitek Private Limited
and Pace Digitek Infra Private Limited)

For S S Kothari Mehta & Co. LLP

Chartered Accountants
Firm Registration No: 000756N/N500441

Rajiv Maddisetty

Director

DIN: 08495070

AMIT GOEL

Partner

Membership No: 500607

Place: New Delhi

Dated: September 08, 2025

UDIN: 25500607BMLAWM4068

Annexure-II of the Auditor's Certificate dated September 08, 2025 on statement of possible special tax benefits (the "Statement") available to Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) (the "Company") and its shareholders prepared in accordance with the requirement under Schedule VI – Part A – Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations").

A. Special tax benefits to the company and its material subsidiaries under the Income Tax Act, 1961 (the "Act")

The statement of tax benefits outlined below is as per the Act read with Income Tax Rules, circulars, notifications ("Income Tax Law"), as amended from time to time and applicable for as on date of issuance of this statement. These special tax benefits are dependent on the Company fulfilling the conditions prescribed under the Income Tax Law. Hence, the ability of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

1. Lower corporate tax rate under Section 115BAA of the Act:

A new section 115BAA has been inserted in the Act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") w.e.f. from FY 2019-20 relevant to AY 2020-21. Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%) and the option once exercised shall apply to subsequent assessment years. In such a case, the Company may not be allowed to claim any of the following deductions/exemptions:

- (i) Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
- (ii) Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
- (iii) Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
- (iv) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
- (v) Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
- (vi) Deduction under section 35CCD (Expenditure on skill development)
- (vii) Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M
- (viii) No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (vii) above,
- (ix) No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (vii) above.

Further, it was clarified by CBDT vide Circular No. 29/ 2019 dated 2 October 2019 that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.

In this regard, the Group (the Company and its material subsidiaries) has already opted the provisions of Section 115BAA of the Act and would be eligible for a reduced tax rate of 22% (25.168% along with surcharge and health and education cess).

B. Special tax benefits available to the shareholders of the company

There is no special direct tax benefit available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Income Tax Act, 1961. Further, it may be noted that these are general tax benefits available to equity shareholders, other shareholders holding any type of instrument are not covered below.

1. Dividend Taxation:

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. With respect to a resident corporate shareholder, deduction under section 80M of the Act is available to the extent of dividend received or distributed by the shareholder one month prior to the date for furnishing the return of income under section 139(1), whichever is lower from the dividends received from domestic companies, foreign companies or a business trust.

With respect to non-resident shareholder, the provision of the Agreement for Avoidance of Double Taxation (Tax Treaty) entered by the Government of India with the country of residence of the non-resident shareholder will be applicable to the extent more beneficial to the non-resident. Accordingly, non-resident shareholder may, subject to conditions, be subject to tax at a concessional rate for dividend income, if any, provided under the relevant Tax Treaty.

2. Shareholders may be subject to India taxes on the capital gains u/s 112A and u/s 111A:

As per Section 112A of the Act, long-term capital gains arising from the transfer of an equity share on which securities transaction tax ("STT") is paid at the time of acquisition and sale, shall be taxed at the rate of 10% (without applying indexation) of such capital gains. This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018, F. No. 370142/9/2017-TPL, dated October 01, 2018. It is worthwhile to note that tax shall be levied where such aggregate capital gains exceed INR 1,00,000/- in a year. The Finance (No. 2) Act 2024 has changed the rate of tax to 12.5% (without applying indexation) w.e.f. July 23, 2024 and enhanced the limit to INR 1,25,000.

Further, surcharge on long-term capital gains arising from any capital asset, is restricted to 15%.

As per Section 111A of the Act, short-term capital gains arising from transfer of equity shares on which securities transaction tax (STT) is paid at the time of acquisition and sale, shall be taxed at the rate of 15%. Further, surcharge on short-term capital gains taxable under Section 111A, is restricted to 15%. The Finance (No. 2) Act 2024 has increased the tax rate from 15% to 20% w.e.f. July 23, 2024.

Notes:

1. This Annexure is as per the Income-tax Act, 1961 as amended by the Finance Act, 2024 read with relevant rules, circulars and notifications applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force in India.
2. The ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
3. The statement has been prepared on the basis that the shares of the Company will be listed on a recognized stock exchange in India.
4. The above statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
5. This statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.
6. 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. We do not assume responsibility to update the views consequent to such changes.

C. Possible special tax benefits to the company, its shareholders or its material subsidiaries under indirect tax laws

1. Possible special tax benefits available to the Company or its material subsidiaries

There are no possible special indirect tax benefits available to the Company or its material subsidiaries.

2. Possible Special tax benefits available to the Shareholders of the Company

There are no possible indirect tax benefits available to the shareholders of the Company.

Notes:

1. The above is as per the current Tax Laws.
2. The above statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For **Pace Digitek Limited**

(Formerly known as Pace Digitek Private Limited
and Pace Digitek Infra Private Limited)

For **S S Kothari Mehta & Co. LLP**

Chartered Accountants
Firm Registration No: 000756N/N500441

Rajiv Maddisetty

Director

DIN: 08495070

AMIT GOEL

Partner

Membership No: 500607

Place: New Delhi

Dated: September 08, 2025

UDIN: 25500607BMLAWM4068

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the industry-related information contained in this section is derived from the industry report titled 'Assessment of telecom tower optical fibre EPC solar energy and rural electrification markets in India' (**CRISIL Report**) dated December 2024 as amended pursuant to an addendum to the report dated September 1, 2025 prepared and issued by CRISIL. We have commissioned and paid for the CRISIL Report for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. We officially engaged CRISIL in connection with the preparation of the CRISIL Report pursuant to an engagement letter dated May 3, 2024. A copy of the CRISIL Report shall be available on the website of our Company at <https://www.pacedigitek.com/pdf/DRHP-Documents/Industry-Report.pdf>. This section discloses the complete CRISIL Report. For further details and risks in relation to commissioned reports, see 'Risk Factors - Internal Risk Factors - This Red Herring Prospectus contains information from an industry report prepared by CRISIL which we have commissioned and paid for.' on page 76.*

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1. Macroeconomic assessment of India

1.1 Overview of real Gross Domestic Product (GDP)

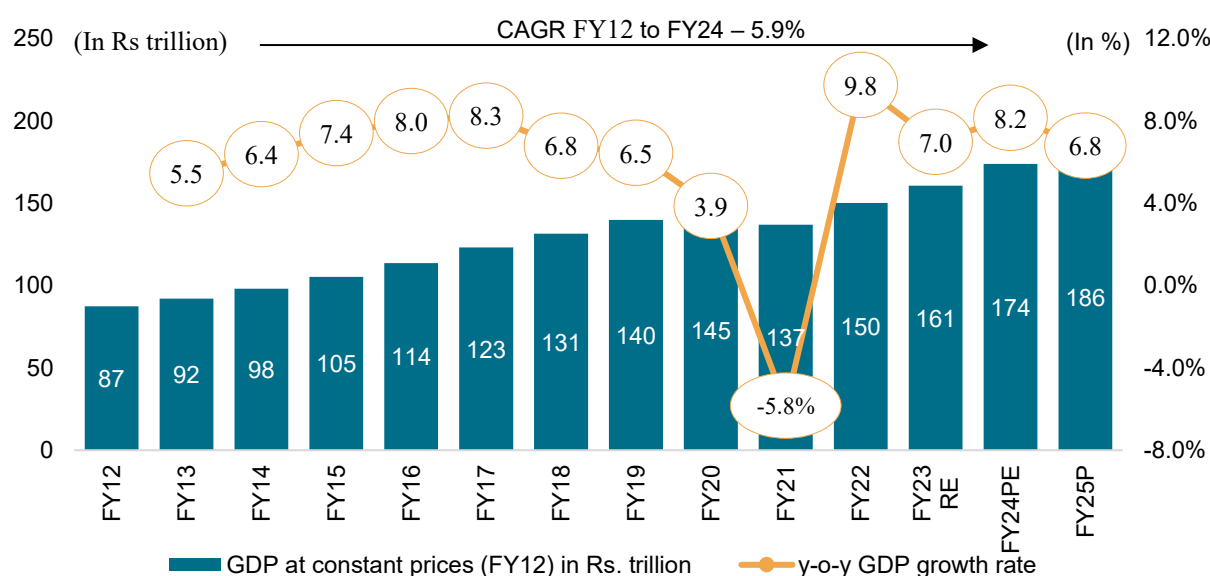
India's GDP clocked 5.9% CAGR over fiscals 2012 to 2024

The country's gross domestic product (GDP) clocked a low compound annual growth rate (CAGR) of 5.9% over fiscals 2012 to 2024 to Rs 173.8 trillion, largely due to the significant impact of Covid-19 pandemic in fiscals 2020 and 2021. The economy recovered in fiscal 2022, led by easing of pandemic restrictions and resumption of business activities.

In fiscal 2023, the GDP grew 7% on continued strong growth momentum propelled by investments and private consumption, with the share of investments in GDP at 33.3% and that of private consumption at 58.0%.

Provisional estimates of the National Statistics Office (NSO) indicate that, at 8.2%, India's real GDP growth in fiscal 2024 would be higher than NSO's second advance estimate of 7.6%. On the supply side, the manufacturing sector experienced substantial growth at ~9.9%, while agriculture grew a modest 1.4%. The government's investment push, along with easing input cost pressures for the industry, also played a major role in shoring up growth. However, growth in services has been slowing down owing to waning pent-up demand (post the pandemic), except for financial, real estate and professional services that powered ahead on the back of robust growth in banking and real estate sectors.

India real GDP growth at constant prices (new series)



RE – revised estimates, PE – provisional estimates, P – projection

Note: The values are reported by the government under various stages of estimates

Actuals, estimates and projected data of GDP are provided in the bar graph

Source: Ministry of Statistics and Programme Implementation (MoSPI), Crisil Intelligence

Crisil forecasts India's GDP to grow by 6.8% in fiscal 2025

After a strong GDP print in the past three fiscals, Crisil expects GDP growth to moderate in fiscal 2025 as fiscal consolidation could dampen growth, rising borrowing costs and increased regulatory measures could weigh on demand, the net tax impact on GDP is expected to normalise, uneven economic growth of key trade partners could affect exports and any escalation in geopolitical tensions could aggravate market volatility. On the other hand, another spell of normal monsoon and easing inflation could revive rural demand.

At an overall level, India's real GDP is expected to slow to 6.8% in fiscal 2025 compared with provisional estimates of 8.2% in fiscal 2024 due to slowing global growth, rising interest rates, waning demand for services and increasing geopolitical uncertainty. However, the manufacturing sector, investments and domestic demand could remain resilient.

Per capita income grew robustly over fiscals 2012 to 2024

India's per capita income, a broad indicator of living standards, rose from Rs 63,462 in fiscal 2012 to Rs 99,404 in fiscal 2023, at a 4.2% CAGR, led by better job opportunities that were propped up by overall GDP growth. Moreover, population growth remained stable at ~1% CAGR. According to provisional estimates, per capita net national income (NNI) at constant prices increased ~7.4% on-year to Rs 106,774 in fiscal 2024.

Per capita NNI at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23RE	FY24PE
Per-capita NNI (INR)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,420	86,034	94,054	99,404	106,744
Y-o-Y growth (%)		3.3%	4.6%	6.2%	6.7%	6.9%	5.5%	5.2%	2.5%	-8.9%	9.3%	5.7%	7.4%

Note: RE: revised estimates, PE: provisional estimates

Source: Provisional estimates of annual national income, 2022-23, CSO, MoSPI, Crisil Intelligence

India's per capita GDP grows faster than the global average

Between 2018 and 2023, global per capita GDP CAGR of 3.1% was lower than that of emerging markets and developing economies of 4.4%, according to the IMF. Further, India's per capita GDP CAGR was even higher at 4.8% during the period.

GDP per capita, current prices (\$)

Regions	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024P	CY 2025P	CAGR (2018-23)
Canada	46,618	46,431	43,573	52,521	55,613	53,548	54,866	57,021	2.8%
China	9,849	10,170	10,525	12,572	12,643	12,514	13,136	14,037	4.9%
Euro area	39,866	39,014	37,938	42,587	41,062	44,463	45,826	47,322	2.2%
India	1,974	2,050	1,916	2,250	2,366	2,500	2,731	2,984	4.8%
Japan	39,850	40,548	40,172	40,114	34,005	33,806	33,138	34,922	-3.2%
The United States	63,165	65,505	64,367	70,996	77,192	81,632	85,373	87,978	5.3%
World	11,472	11,518	11,111	12,527	12,894	13,359	13,836	14,368	3.1%
India	1,974	2,050	1,916	2,250	2,366	2,500	2,731	2,984	4.8%

Notes: CY – Calendar year; E – estimated; P – projected

Source: IMF, Crisil Intelligence

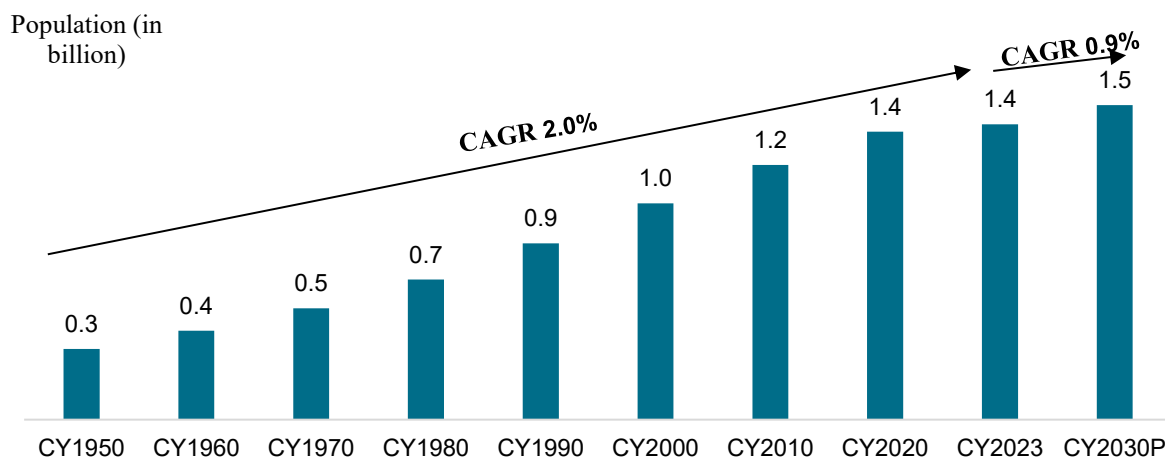
1.2 Demographic factors support domestic growth

Growing population, increasing urbanisation and a young demographic profile to strengthen India's economic growth

India's population grew to ~1.4 billion in 2023 as per World Population Prospects 2024, compared to just 0.3 billion in 1950, thereby registering a CAGR of ~2.0%.

Additionally, as per World Population Prospects 2024, the population of India is expected to remain the world's largest throughout the century and will likely reach its peak in the early 2060s at about 1.7 billion.

India's population growth



Note: P: Projected

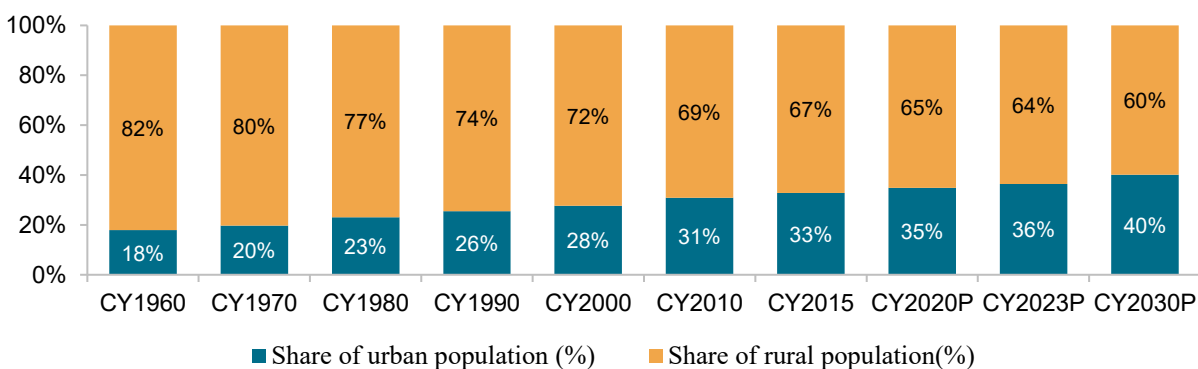
Population is the above chart as of 1st January

Source: UN Department of Economic and Social Affairs, World Population Prospects 2024, Crisil Intelligence

Further, urbanisation has also seen an uptrend growing from 18% in 1960 to an estimated 36% in 2023. This growth in urbanisation necessitates enhancements in facilities such as housing, transportation and utilities to support the increased population density. This in turn has aided in increased spends toward urban infrastructure.

Going ahead, India's urban population is expected to continue to rise on the back of economic growth. The share of urban population is projected to increase to nearly 40% by 2030, according to a UN report on urbanisation.

India's urban vs. rural population (in million)

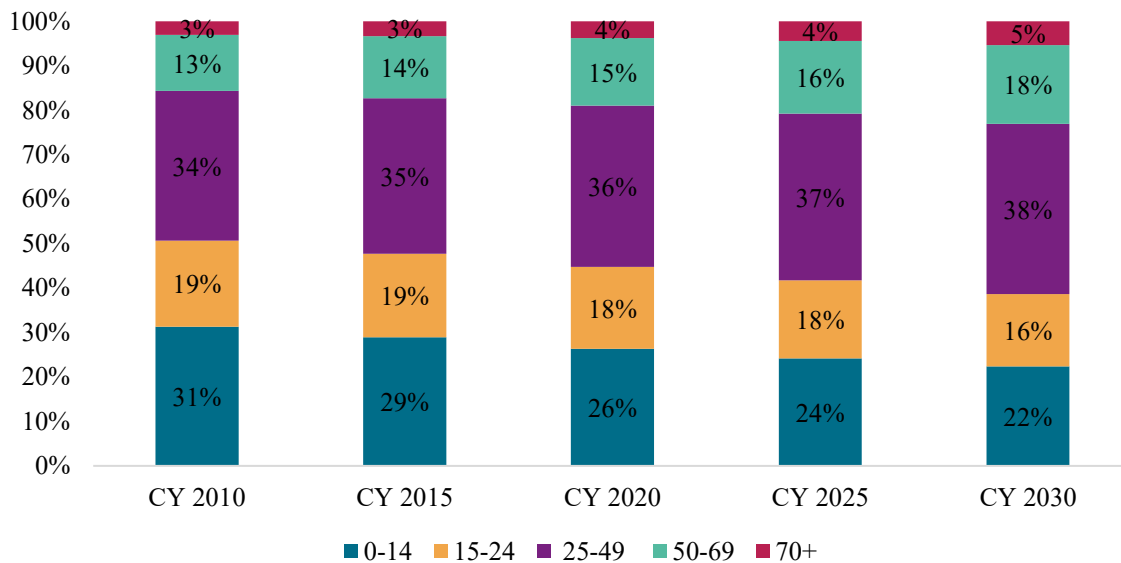


P: projected; Source: World Urbanization Prospects: The 2018 Revision, UN, Crisil Intelligence

38% of India's population projected to be below 25 years by 2030

The country's young population indicates a strong potential for an increase in household income, and basic and healthcare spending. The strong demographic dividend is expected to continue even though the proportion of Indian population below 25 years could fall from 44% in 2020 to 38% by 2030. Additionally, the share of 25-49 years is also estimated to increase from 36% in 2020 to 38% in 2030, indicating a higher mid-age working population.

Indian population by age group



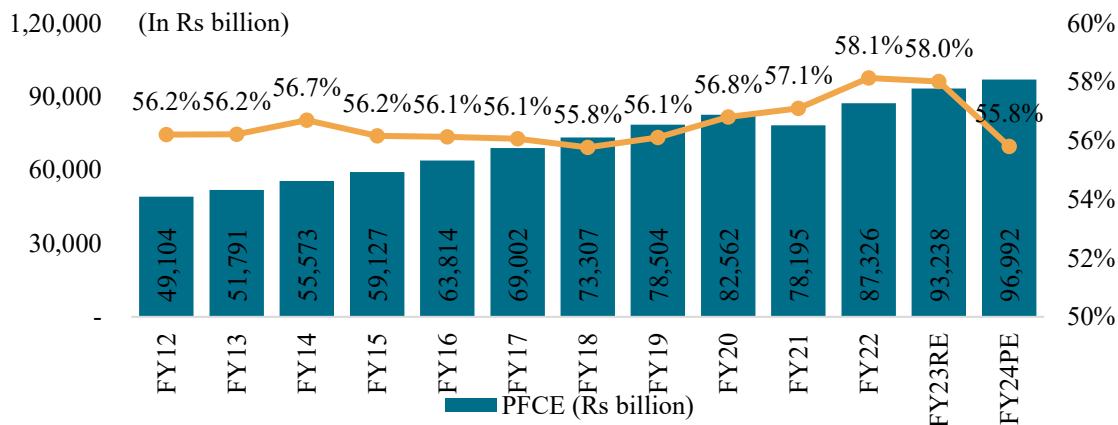
Note: P: projected

Source: UN Department of Economic and Social Affairs, World Population Prospects 2024, Crisil Intelligence

PFCE to maintain a dominant share in India's GDP

Private final consumption expenditure (PFCE) at constant prices clocked a 6% CAGR over fiscals 2012 to 2023, maintaining its dominant share in GDP of ~58.0% in fiscal 2023 (~Rs 93,238 billion in absolute terms, up 6.8% on-year). It was led by healthy monsoon, wage revisions due to the implementation of the Seventh Central Pay Commission's (CPC) recommendations, benign interest rates, growing middle age population and low inflation. As of fiscal 2024, PFCE is estimated to have increased further to Rs 96,055 billion, growing ~3% on-year and accounting for ~56% of India's GDP.

PFCE at constant prices



Note: RE: revised estimates; PE: provisional estimates

Source: MoSPI, Crisil Intelligence

The share of discretionary spending rose from 53.4% in fiscal 2012 to 59.1% in fiscal 2023, reflecting rising disposable income and spending capacity of households. In the medium to long term, a positive economic outlook and growth across key employment generating sectors (such as real estate, infrastructure and automobiles) are expected to have a cascading effect on overall per capita income. This, in turn, is expected to drive discretionary spending.

PFCE and discretionary spending growth

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Share of basic spending in PFCE	46.6%	46.8%	47.3%	45.2%	42.9%	43.0%	41.7%	40.8%	40.3%	43.3%	42.2%	40.9%
Share of discretionary spending in PFCE	53.4%	53.2%	52.7%	54.8%	57.1%	57.0%	58.3%	59.2%	59.7%	56.7%	57.8%	59.1%

RE: revised estimates, PE: provisional estimates, FAE: first advance estimates

N.A – not available; PFCE breakup data is from the latest available National Account Statistics 2023; discretionary items include education, healthcare, electricity, water supply, footwear, personal care products, processed foods, alcoholic and non-alcoholic beverages, tobacco, narcotics, fuel and gas, furnishing and household equipment, vehicle and personal transportation, spending on recreation and culture, communication, restaurants and hotels, financial insurance and other financial services, and other items not elsewhere classified. The rest is contributed by basic items which include food, clothing and housing.

Source: MoSPI, Crisil Intelligence

2. Assessment of the telecom industry in India

2.1 Overview of the global telecom industry

A consolidated industry driven by economies of scale

The telecom industry is capital intensive and highly competitive, with key players undertaking mergers and acquisitions (M&As) to not only survive but also upgrade their technology, expand the customer base and enhance product diversification. Acquisitions in the sector primarily involve horizontal integration as the companies aim to gain competitive advantage by acquiring competitors. Fewer market players lead to economies of scale and a reduction in overlapping infrastructure, thereby lowering operational expenses and enabling more efficient use of capital investments. In most key countries, 2-5 telecom companies dominate the sector. A few examples are given in the table below.

Countries	Top telecom companies
Australia	Telstra, Optus, TPG Telecom, Superloop, Macquarie Telecom Group
Brazil	Claro, Telefônica, TIM
China	China Mobile, China Telecom, China Unicom
France	Orange, SFR, Bouygues Telecom, Free Mobile
Germany	Deutsche Telekom, Vodafone, O2 Telefónica
Japan	NTT DOCOMO, KDDI Corp, Softbank Corp, Rakuten Inc
Hong Kong	China Mobile Hong Kong, Hong Kong Telecommunications, SmarTone Mobile, Hutchison Telephone, 21 ViaNet

India	Bharti Airtel, Reliance Jio, Vodafone Idea, BSNL (Bharat Sanchar Nigam Limited), MTNL (Mahanagar Telephone Nigam Limited)
Spain	Vodafone Spain, Orange Spain, Movistar Telefónica, Yoiga
The United States	Verizon, AT&T, T-Mobile
The Middle East	Emirates Telecommunications Corporation, Emirates Integrated Telecommunications Company PJSC, Saudi Telecommunication Company (STC), Etihad Etisalat (Mobily), Zain

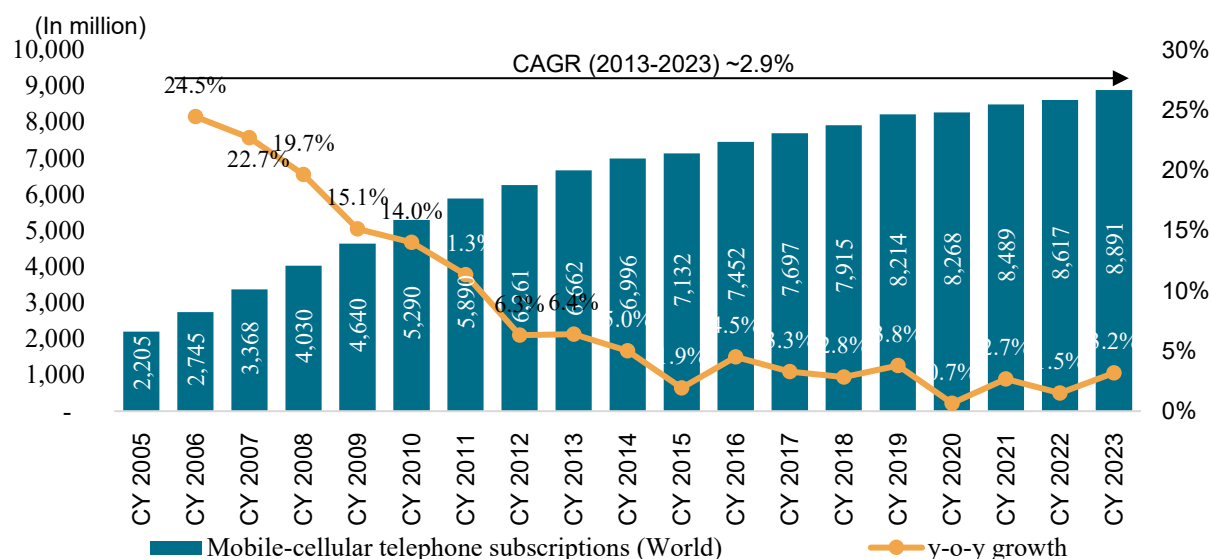
Source: Secondary research, Crisil Intelligence

Mobile subscriber base clocked a CAGR of ~3% over 2013 to 2023

Mobile cellular telephone subscribers refers to subscribers of a public mobile telephone service, which provides access to a public switched telephone network (PSTN) using cellular technology, including the number of pre-paid subscriber identity module (SIM) cards active during the past three months. Total subscribers should include all mobile cellular subscriptions that offer voice communications.

Overall mobile subscribers grew at a CAGR of ~2.9% over 2013 to 2023 and rose ~1.5% on-year to 8,891 million in 2023 from ~8,617 million in 2022.

Mobile subscriptions



CY: Calendar year

Source: International Telecommunication Union (ITU), Crisil Intelligence

China and India the top two telecom markets by customer base

China is the largest telecom market with 1,807 million wireless customers as of calendar year 2023, followed by India. Other countries in top five include US, Indonesia and Russia.

Mobile cellular subscriptions – India registered healthy growth among global peers

	Telecom customers in CY 2013	Telecom customers in CY 2022	CY 2013-2023 CAGR (%)
China	1,229	1,807	3.9%

India	886	1,143*	2.9%
US	311	386	2.2%
Indonesia	313	352	1.2%
Russia	218	245*	1.3%
Brazil	271	213	-2.4%
Egypt	100	106	0.6%
Indonesia	313	352	1.2%
Mexico	107	140	2.7%
South Africa	77	108	3.5%
Thailand	94	121	2.6%
UK	79	84	0.7%
Viet Nam	124	131	0.6%

Note: * Data as of CY 2022; CY: Calendar year

Source: ITU, Crisil Intelligence

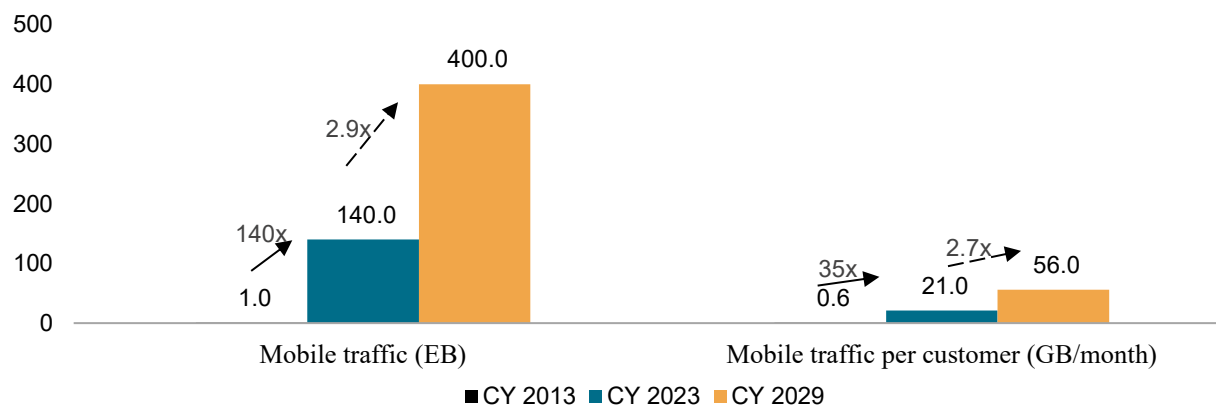
Key growth drivers

Increasing dependence on online infrastructure

Growth in the digital economy has encouraged people to rely more on digital applications for commonplace activities, leading to a rise in mobile users and data consumption. Over the past 10 years, the global mobile customer base has seen a CAGR of 2-4% across regions. Growth was higher during the pandemic.

Global mobile traffic increased from 0.6 GB/customer/month in 2013 to 21.0 GB/customer/month in 2023, logging 35x growth in data consumption. The Ericsson Mobility Report estimates an increase of 140x in mobile traffic over the past decade as global mobile data traffic increased from 1 exabyte (EB)/month in 2013 to 140+ EB/month in 2023. Factors driving data traffic growth in mobile networks include ever-increasing demand for online digital services, 4G/5G deployment across telecom markets, increased network capacity with the new generation of mobile technology, improved quality of experience and affordable plans. This is expected to fuel the overall telecom industry growth through a larger customer base and improved penetration.

Global mobile data consumption growth



CY: Calendar year

Source: Ericsson Mobility Report 2023, Crisil Intelligence

Growing demand for advanced technologies

The rollout of advanced technologies such as 4G and 5G is positively driving the global telecom industry by providing improved speed, reliability and capacity. After the rollout of 4G services in 2010, many global markets began transitioning to 5G services starting 2019.

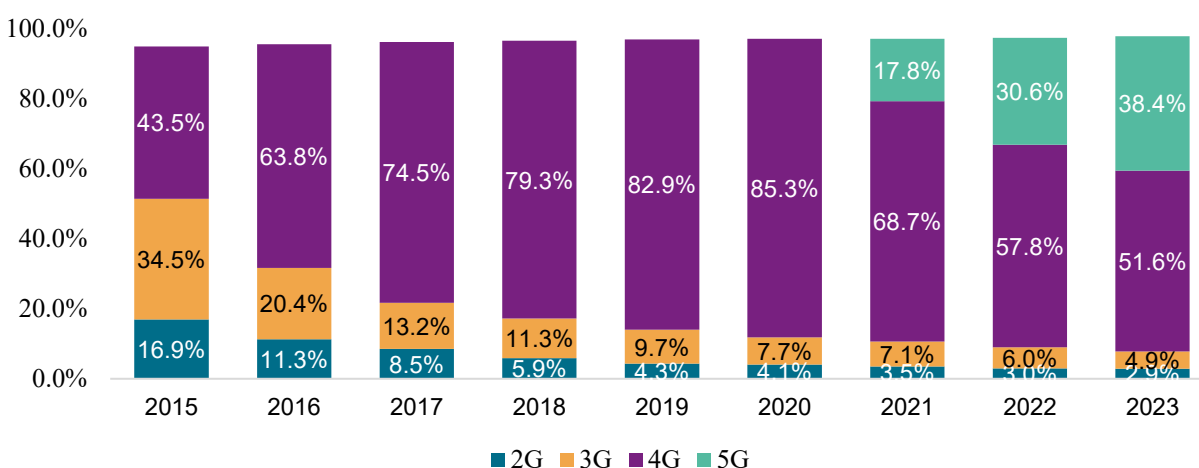
As of 2023, ~38% of the world's population was covered by 5G. The deployment of 5G not only enhances speed and capacity but also transforms the digital ecosystem by connecting machines, objects and devices with ultra-low latency. Consequently, many high-income countries are planning to switch off older-generation mobile networks in favour of new-generation networks such as 5G. For instance, most operators in the European region plan to switch off 2G and 3G networks by December 2025.

Operators are, in fact, leveraging 5G to carve out new revenue streams. Private 5G networks, network slicing and edge computing are some of the new technologies enabling this transition.

On the demand front, realisation of 5G use cases is expected over time. Voice over Long Term Evolution, for instance, took almost five years after the commercialisation of 4G — even 10 years in some international markets. A similar trend is expected for 5G. Ultra-high-definition streaming, 3D video, augmented reality/virtual reality, autonomous driving, connected ambulance and remote surgery are representative use cases of 5G that were stated in ITU-R's 5G Vision Recommendation, but have not yet become mainstream. Demand for 5G will pick up with the development and mainstreaming of the 5G ecosystem.

Overall, these advancements collectively meet the needs of end-consumers by improving service quality and creating new business opportunities, thereby positively impacting the global telecom industry.

Network coverage by type



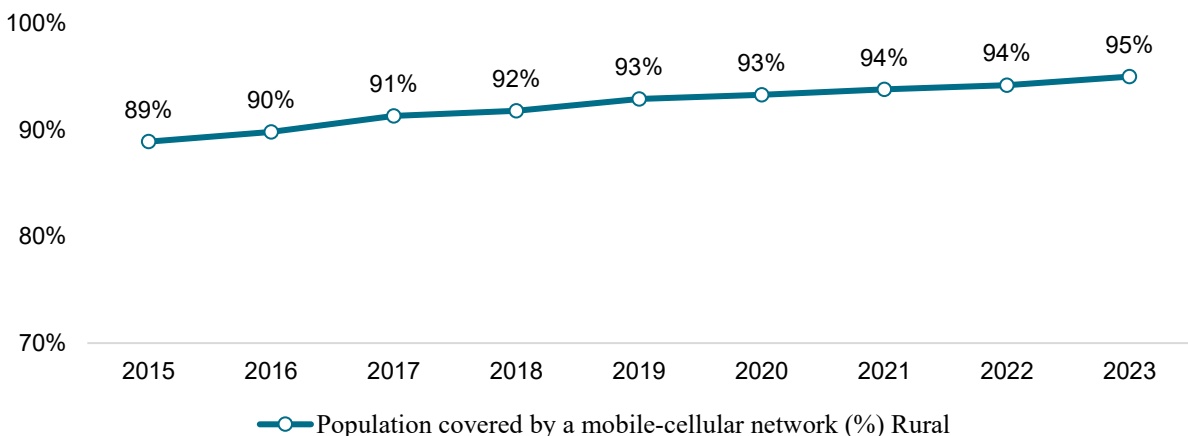
Note: Calendar years are presented in the chart

Source: ITU, Crisil Intelligence

Increasing rural penetration of mobile cellular networks

The increasing penetration of mobile cellular networks is expected to act as a catalyst for the global telecom industry. As of 2023, 95% of the rural population was covered by a mobile cellular network, compared with 100% urban population. By extending connectivity to underserved rural areas, telecom players can foster digital inclusion and support multiple services, such as education and business. Increased rural penetration may also lead to a rise in demand for e-commerce and other digital services, which will eventually result in increased data usage.

Population covered by mobile cellular networks — rural



Note: Calendar years are presented in the chart

Source: ITU, Crisil Intelligence

2.2 Overview of Indian telecom industry

Telecommunication has been playing a pivotal role in India's economic growth. It is the backbone of many industries, including e-commerce, media and entertainment, finance, information technology (IT), healthcare, transportation and logistics. The sector facilitates seamless movement of data worldwide through wired or wireless channels and significantly influences economic progress. The telecom market is constantly evolving with the integration of cutting-edge technologies over the years. This has widened the coverage of telecom services globally and made them an indispensable part of the daily lives of consumers. Telecom proved to be an essential service especially during the Covid-19 pandemic, enabling people to remain connected amid worldwide lockdowns.

The telecom industry mainly comprises wireless services or mobile services, and wireline services or fixed-line services. In India, wireless services accounted for 97.2% of the total telecom customer base as of fiscal 2024, followed by wireline services (2.8%).

Indian telecom industry growth led by wireless services

At 1,165.5 million as of fiscal 2024, wireless telecom customers accounted for 97.2% of the total telecom customer base of 1,199.3 million.

The number of wireless telecom customers rose from 904.5 million in fiscal 2014 to 1,183.4 million in fiscal 2018, before falling to 1,157.7 million in fiscal 2020 due to the closure of inactive SIMs and deactivation of SIMs that were not linked with Aadhaar. Additionally, an increase in base (entry-level plans) tariff rates by telcos made owning multiple SIMs an expensive proposition for customers, leading to SIM consolidation. Moreover, the number of customers temporarily declined during the first pandemic wave as urban areas lost 18 million customers, while rural areas gained 3 million. As lockdowns eased, the customer base recovered and exceeded pre-pandemic levels, reaching 1,181.0 million by the end of fiscal 2021. Urban areas contributed significantly to this growth as remote work, e-learning and other online services became widely prevalent.

Wireless customers fell to 1,142.1 million in fiscal 2022, led by SIM consolidation, followed by a modest increase of 0.17% to 1,143.9 million in fiscal 2023. The impact of SIM consolidation diminished by the end of fiscal 2023, resulting in a positive upswing in wireless numbers in fiscal 2024 (~1.89% on-year to 1,165.5 million subscribers). However, the overall increase was constrained by inflationary pressures.

Telecom customers in India

Customers (million)		FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	CAGR (FY14-23)
Total customers		933.0	996.5	1058.9	1194.6	1206.2	1183.5	1178.0	1201.2	1166.9	1172.3	1199.3	2.54%
Wireless	Customers	904.5	969.9	1033.6	1170.2	1183.4	1161.8	1157.7	1181.0	1142.1	1143.9	1165.5	2.57%
	% of total customers	96.9%	97.3%	97.6%	98.0%	98.1%	98.2%	98.3%	98.3%	97.9%	97.6%	97.2%	-
Wireline	Customers	28.5	26.6	25.2	24.4	22.8	21.7	20.2	20.2	24.8	28.4	33.8	1.72%
	% of total customers	3.1%	2.7%	2.4%	2.0%	1.9%	1.8%	1.7%	1.7%	2.1%	2.4%	2.8%	-
Rural	Customers	377.7	419.3	449.2	501.6	524.6	514.4	521.5	537.4	519.8	518.6	533.9	3.52%
	Share	40.5%	42.1%	42.4%	42.0%	43.5%	43.5%	44.3%	44.7%	44.5%	44.2%	44.5%	-
Urban	Customers	555.3	577.2	609.7	693.2	681.6	669.2	656.5	663.8	647.1	653.7	665.4	1.82%
	Share	59.5%	57.9%	57.6%	58.0%	56.5%	56.5%	55.7%	55.3%	55.5%	55.8%	55.5%	-

Source: TRAI, Crisil Intelligence

Wireless services have become the preferred choice because of their convenience and lower cost, resulting in stagnation in the wireline customer base. Notably, wireline services remain more popular among the urban milieu. The number of wireline customers declined on-year from fiscal 2014 to fiscal 2019. Thereafter, the trend reversed due to an increase in wired broadband penetration amid the pandemic. This was fuelled by the bundling of wired broadband, digital TV content/digital cable and wireline telephone services. As a result, the number of wireline customers increased to 28.4 million in fiscal 2023 and reached 33.8 million in fiscal 2024.

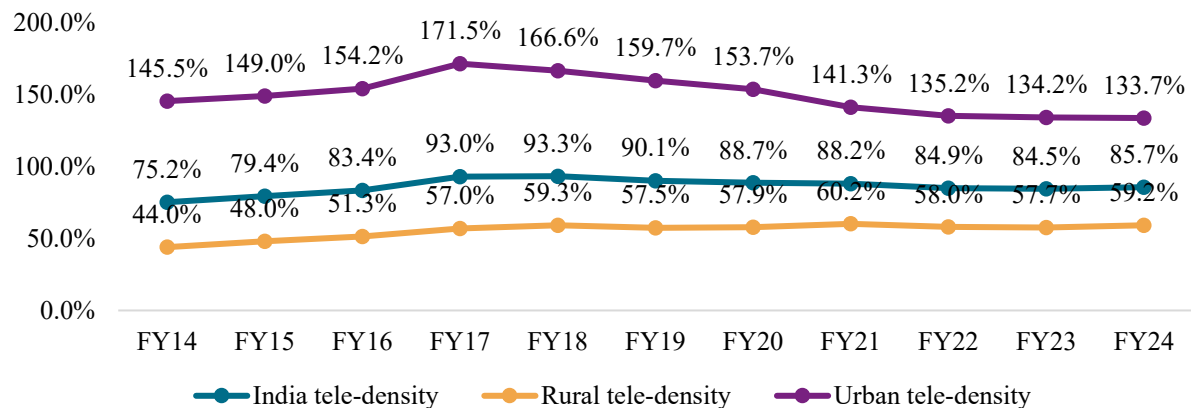
Urban telecom customers have maintained their dominance, capturing a 55.5% share as of fiscal 2024, compared with 59.5% in fiscal 2014.

Overall tele-density improved in fiscal 2024, supported by increasing rural tele-density

Growing need for telecom services, network expansion by telecom operators, and availability of services at affordable prices have been driving customer addition and, in turn, contributing to an improvement in tele-density (84.7% in fiscal 2024 vs 75.2% in fiscal 2014). Rural tele-density improved to 59.2% in fiscal 2024 from 44.0% in fiscal 2014, led by higher penetration of wireless services. Urban tele-density, on the other hand, declined to 133.7% from 145.5% over the same period due to SIM consolidation.

Rural customers grew faster than urban counterparts due to low tele-density. Notably, rural customers logged a CAGR of ~3.6% between fiscals 2014 and 2023. In contrast, urban customers exhibited a lower CAGR of ~1.8%. The difference in growth rates can be attributed to affordability of smartphones and telecom services, and continued network expansion by telecom operators. Telcos' concentrated and aggressive expansion strategies in rural areas supported rapid customer-base augmentation in these regions. Telecom revenue growth will be driven by a growing customer base and increasing rural tele-density.

Tele-density — India

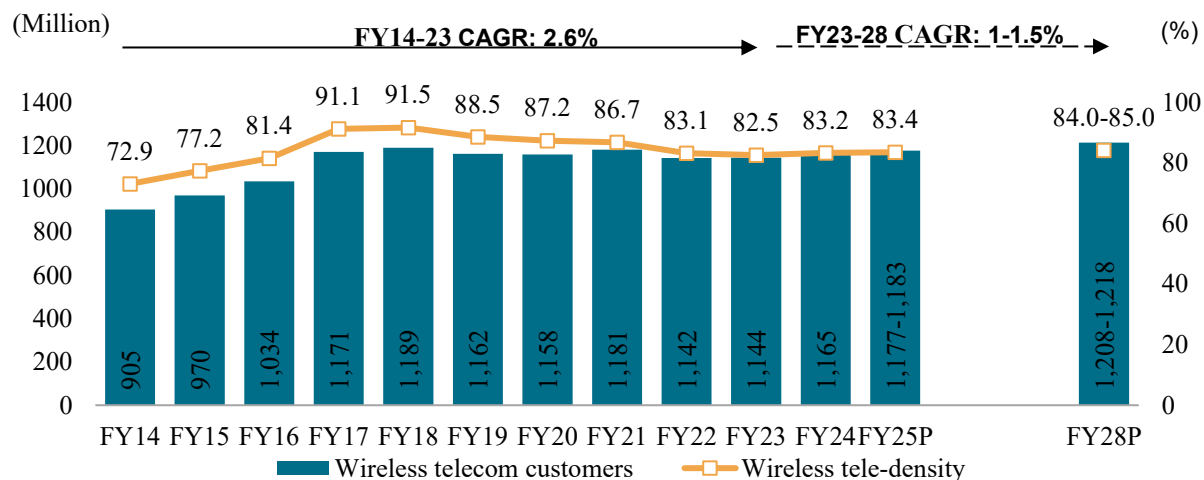


Source: DoT, TRAI, Crisil Intelligence

Expansive coverage and smartphone penetration to support growth in wireless services

Crisil Intelligence expects the wireless customer base to clock a CAGR of 1-1.5% between fiscals 2023 and 2028, driven by higher smartphone penetration, increased affordability of mobile phones, and continued demand for data and telecom services. Wireless tele-density, defined as the number of mobile/ wireless connections for every hundred individuals living within an area, stood at 82.5% in fiscal 2023 and 83.0% as of the nine months of fiscal 2024. It is expected to reach 84.0-85.0% by fiscal 2028, driven by telcos' investments in expanding coverage and the increase in smartphone penetration, particularly in rural areas.

Wireless telecom customer base



P: Projected

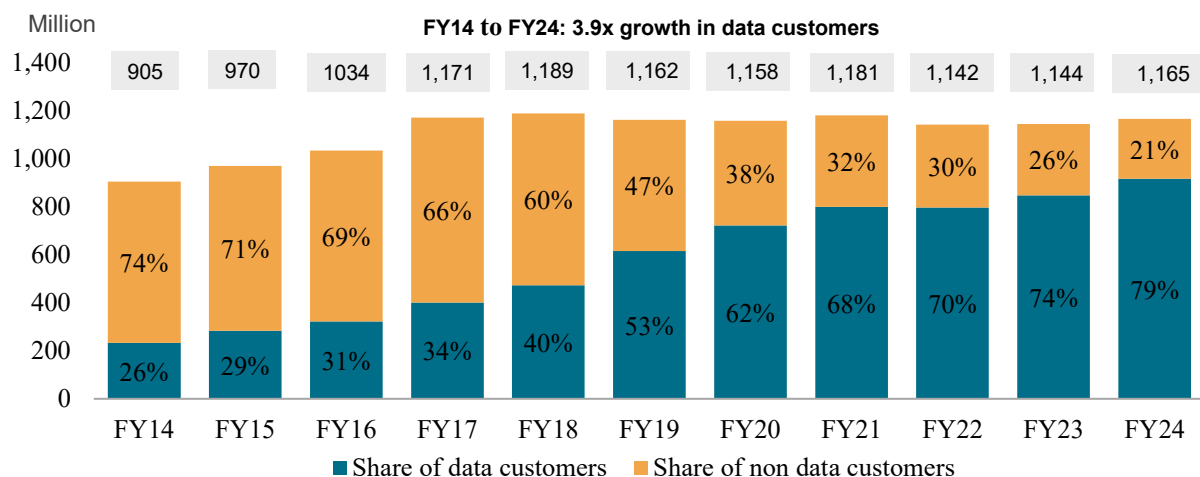
Source: TRAI, Crisil Intelligence

Data users and consumption grew multifold over the past decade

As of fiscal 2024, the number of internet or data customers surged 3.9x to ~916 million from 233 million in fiscal 2014, logging a CAGR of 14.6%, propelled by a sharp decline in tariffs. Subsequently, the share of data customers soared to ~79% from 26%. The increasing affordability of smartphones and a subsequent rise in smartphone adoption also supported the rise in data consumption.

Crisil Intelligence expects consistent growth in data customers, owing to the ongoing technological upgrades, proliferation of smart devices (such as smartphones), increased internet usage and gradual transition of non-data users towards data-based services. Furthermore, the affordability of data packages will widen the accessibility of data services to a larger demographic.

Data and non-data customers in the wireless telecom user base



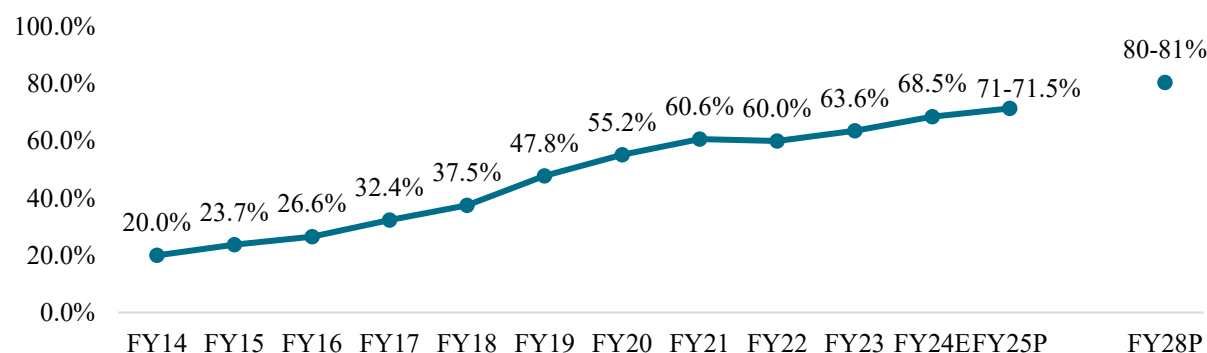
Source: TRAI, Crisil Intelligence

Revenue to be driven by 80-81% rise in wireless internet penetration by fiscal 2028

Internet users in India surged over the past few years, with internet penetration as a percentage of the total population standing at 63.6% as of fiscal 2023 (vs 20.0% as of fiscal 2014). Crisil Intelligence expects the number of wireless internet customers to be 960-970 million by fiscal 2025, constituting 71.0-71.5% of internet penetration. By fiscal 2025, we expect the majority of customers to transition from 2G and 3G data services to 4G and 5G services. This can be attributed to increased demand for data, affordable pricing of 4G services, early conversion to 5G and availability of affordable smartphones.

By fiscal 2028, wireless internet penetration is projected to reach 80-81%. The growth, though, is subject to the evolution in the data consumption landscape and increase in the average telecom service tariff.

Wireless internet penetration in India (%)



P: Projected

Internet penetration is per 100 population

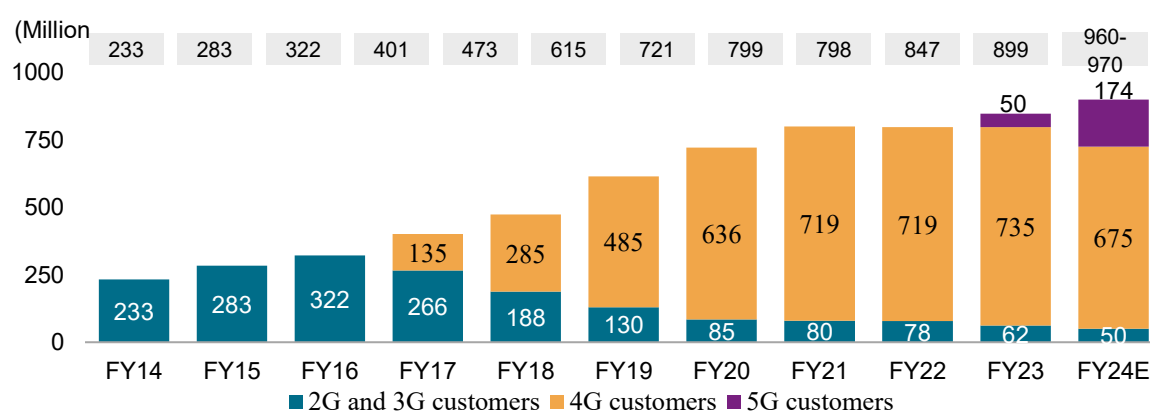
Source: TRAI, Crisil Intelligence

5G adoption to rise, fuelled by affordable 5G device options

Crisil Intelligence estimates the number of 4G customers to have been ~675 million in fiscal 2024, constituting ~75% of the internet customer base. The 5G customer base is expected to grow, with the pace of conversion largely influenced by affordable pricing of 5G devices and continued handset replacement cycle. Offering 5G introductory services for free allows customers to experience high-speed data and encourages upgrades, playing a vital role in shaping the future trajectory of customers and data usage. Jio offers free 5G for active prepaid or postpaid plans of Rs 239 or above, while Airtel offers free 5G to all postpaid and prepaid customers with unlimited packs starting from Rs 239.

In fiscal 2025, Crisil Intelligence projects ~70% of total users to be 4G-enabled and ~25-26% to use 5G, mainly in urban markets, surpassing 240-250 million users. Only a small fraction of data users will continue to rely on legacy 2G and 3G networks.

Number of customers across 2G/3G/4G/5G data



Note: Operators launched 5G services in October 2022. There is an increase in the number of 5G customers as users adopt 5G-enabled smartphones, with 5G coverage becoming more ubiquitous. The number of 5G customers could differ as 5G coverage may be intermittent.

P: Projected

Source: TRAI, Crisil Intelligence

Key emerging trends in the Indian telecom industry

- **Satellite communications:** Satellite internet or broadband is a wireless internet connection facilitated by communication satellites orbiting the earth. Offering global coverage, it is location-independent, accessible from anywhere within the satellite range, providing a versatile and widespread internet service. It can address the telecom industry's challenge of installing traditional network infrastructure in rural and remote areas with difficult terrains and other issues.

In 2023, the government approved the Indian Space Policy 2023, which allows non-government entities to use low earth orbit and medium earth orbit satellites to provide broadband services in India. Jio Satellite Communications Ltd and OneWeb India Communications Pvt Ltd (Eutelsat OneWeb) have been provided with Global Mobile Personal Communication by Satellite licences.

Initially, the primary focus of these companies would be on launching satellite internet services in India for enterprises. Jio presented JioSpaceFiber at the India Mobile Congress 2023, while Airtel's exhibit highlighted solutions from OneWeb India Communications Pvt Ltd. Amazon and Starlink have applied for licence for satellite internet. Satellite has the potential to bridge the digital divide by covering hitherto uncovered, remote areas, while serving the country's disaster, maritime and defence requirements.

- **5G fixed wireless access (FWA):** The emergence of 5G is facilitating a ground-breaking convergence between mobile technology and the requirements of fixed-line services and pricing. Catering to home and business needs in areas where laying and maintaining fibre is cost-prohibitive, FWA empowers network operators to provide

ultra-high-speed broadband to suburban and rural regions, especially those in fibre-dark areas. FWA has the potential to overcome challenges related to last-mile connectivity of fibre infrastructure in India's rural and urban regions. The technology is based on 5G and can be used for faster monetisation of 5G services in India as well.

- **5G application development labs:** The Union Budget for 2023 revealed the government's plan to set up 100 laboratories in engineering institutions to develop applications using 5G services. The laboratories will play a crucial role in investigating possibilities across various industries, such as smart classrooms, precision farming, intelligent transport systems and healthcare. The centre made a provision of Rs 55.6 million for 5G testbed in fiscal 2024.
- **Investment in domestic telecom equipment manufacturing capabilities:** The government's production-linked incentive (PLI) scheme for mobile, telecom and networking products aims to offer financial incentives to boost domestic manufacturing and attract investments in target segments. Such initiatives will boost the availability of equipment and devices in the domestic market, catering to both demand and supply markets. This, in turn, is expected to lower import bill and drive growth in the telecom sector.
- **Green telecom:** To align with sustainability and environmental protection goals, telecom companies are transitioning towards green telecom. To reduce greenhouse gas (GHG) emissions from power consumption related to tower assets, the telecom industry is exploring solutions, such as distributed solar plants, lithium-ion storage plants and piped natural gas gensets, which will help reduce diesel consumption by towers. According to Telecom Regulatory Authority of India (TRAI), going green has become necessary for telecom operators, given that energy costs account for 25% of their operating expenses. Amid rising environmental concerns related to GHG emissions, the DoT has set up a green passport laboratory with a facility to carry out energy-efficiency testing of various telecom equipment.
- **6G vision:** Globally and in India, initial 6G networks are expected to be deployed around 2030. The government of India has prepared a Bharat 6G Vision document and constituted Bharat 6G Mission and an Apex Council. The objectives, structure and functions of the Apex Council and Bharat 6G Mission are to be completed in phase-1 and phase-2 over 2023-25 and 2025-2030, respectively. Further, Bharat 6G Alliance (B6GA) is a collaborative platform comprising the domestic industry, academia, national research institutions and standards organisations, set up to facilitate the implementation of Bharat 6G Vision. B6GA has signed a memorandum of understanding with the Next G Alliance of the US to explore collaboration opportunities on 6G wireless technologies. Further, the government is funding the 6G THz testbed with orbital angular momentum and multiplexing. The project aims to enhance the understanding of higher millimetre wave and sub-terahertz deployment scenarios and facilitate research on optical angular momentum, a key enabling technology for implementing 6G services. Subsequently, 'ubiquitous connectivity' is a usage scenario proposed by India for inclusion in the 6G framework and now part of the International Telecommunication Union 6G Framework. With all the development, matured 6G deployment is nearly a decade away.

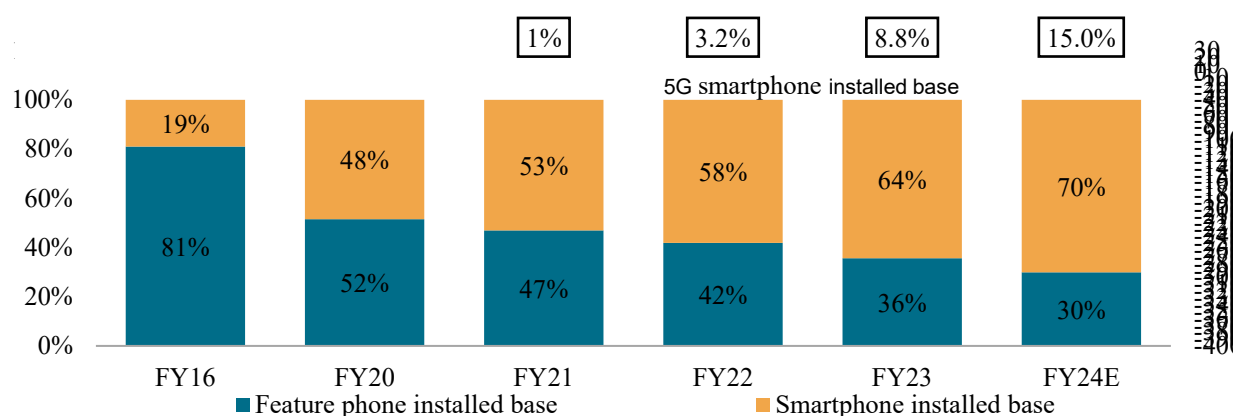
Key growth drivers of the Indian telecom industry

Rising smartphone penetration

The Indian market has evolved from a feature-phone user base to that of smartphone, with the latter projected to have constituted ~70% share in the mobile phone user base in fiscal 2024. Additionally, industry sources estimate 5G-enabled smartphones to have accounted for ~15% of the mobile phone user base in India as of fiscal 2024, compared with ~9% in fiscal 2023.

Crisil Intelligence expects the rapid 5G smartphone growth to continue, owing to improving affordability and attractive pricing. The growing mix of 5G smartphones in the overall shipments and emergence of 5G-specific use cases will augur well for telecom industry players and drive demand for 5G data services.

Smartphone share in the Indian mobile market



E: Estimated

Source: Publicly available data on smartphone and mobile shipments through various research agencies, Crisil Intelligence

Increasing data consumption

Average data consumption per user is estimated to be around ~23.1 GB/user/month in fiscal 2024 compared to data consumption of 11.3 GB/user/month, driven by higher demand for data for video and music content, social media engagements, video calling and sustained adoption of hybrid work-from-home and study-at-home practices. The expansion of 4G networks in rural areas and a steep decline in data tariffs also contributed to the increased demand of telecom services.

Converged DTH offerings

India has a high television penetration of ~65%. About 190 million households own cable or direct-to-home (DTH) connections. Of this, ~167 million households do not have wired broadband connections (assuming a household with wired broadband also owns a television). These households could have been a ready target market had broadband services been bundled with TV subscription at competitive rates. Hence, telcos are providing converged or comprehensive offerings of DTH, broadband and mobile services to attract more customers.

Key reforms and regulatory actions in the Indian telecom industry

Regulations	Development
Spectrum liberalisation	In 2015, operators were given the option to liberalise their entire administratively allotted spectrum holding in the 800 MHz and 1,800 MHz bands in a circle for the remaining validity period of the right-to-use spectrum
Discriminatory tariff	In 2016, TRAI ruled out discriminatory tariff of data services. As per discriminatory tariffs, an operator cannot charge different tariffs for data services based on the content accessed, transmitted or received by the consumer.
Retailing of spectrum, infrastructure	In May 2016, virtual network operators (VNOs) were given permission to obtain licences and offer services of a telecom operator, without owning the spectrum and related infrastructure
Telecom panel announces a 3% minimum SUC	In August 2016, the government approved a minimum spectrum-usage charge (SUC) of 3% on adjusted gross revenue (AGR) proposed by the Telecom Commission
Extension of the spectrum-payment period	In September 2017, the Telecom Commission extended the spectrum-payment duration from 10 to 16 years based on an inter-ministerial group (IMG) recommendation. It also lowered interest rates on unpaid dues by at least two percentage points, replacing prime lending rate (PLR) with marginal cost of fund-based lending rate (MCLR) (with effect from April 1, 2016) for calculating telecom

Regulations	Development
	operators' interest on delayed payment of licence fee and spectrum usage charges. This is aimed at alleviating the debt-laden telecom industry
Interconnect-usage charge (IUC)	The TRAI reduced the termination charges for local and national long-distance calls from 14 paise/minute to 6 paise/minute with effect from October 1, 2017
Relaxation of spectrum cap	In 2018, the spectrum holding cap was increased from 25% to 35% in a circle. The intra-band cap of 50% holding in a circle was removed, but 50% cap was also imposed on combined spectrum holdings in the sub-1 MHz band per circle
The Telecommunication Tariff (Sixty Third Amendment) Order, 2018	Under this order, if tariff is found to be predatory, the service provider will be charged an amount not exceeding Rs 5 million for each service area, provided it holds a significant market power in the service area, i.e., at least 30% share in the service area
National Digital Communication Policy, 2018	This policy facilitated the development of communication infrastructure and services to achieve inclusive social-economic growth in the country
International termination charge	In February 2018, the TRAI reduced the ITC payable by an international long-distance operator (ILDO) to the access provider on whose network the call terminates from Rs 0.53 per minute to Rs 0.30 per minute. It was again revised in May 2020 – to a range, i.e., a minimum of Rs 0.35 and maximum of Rs 0.65 per minute
Apex court on AGR definition	In October 2019, the Supreme Court ruled in favour of DoT with regard to definition of AGR revenues, resulting in telecom players being liable to pay dues of the past 14 years as per the order, including interest, penalty and interest on penalty
Moratorium on spectrum payments	In 2019, the Indian government announced a moratorium of two years on deferred spectrum payments
Scrapping of IUC	In January 2021, the TRAI scrapped the termination charges for local and national long-distance calls for all telecom operators
Spectrum auctions	The DoT initiated the formal process of auctions, scheduled to be held in March 2021. The auctions included spectrum across all bands, except 5G
Apex court slashes incumbent's plea	The Supreme Court rejected the plea of telecom operators of recalculating the AGR dues to arithmetic errors in 2021
Cabinet announces AGR relief package and other key reforms	In September 2021, the Union Cabinet approved several structural and process reforms in the telecom sector, including: Four-year moratorium on payment of statutory dues by telecom companies, both AGR and spectrum charges The definition of AGR has been rationalised by excluding non-telecom revenue of telecom companies 100% FDI in telecom through the automatic route has been approved The regime of heavy interest, penalty and interest on penalty on delayed payments of licence fees and spectrum usage charges has been rationalised The Centre will compound the interest annually instead of monthly Spectrum auction will be done for 30 years, instead of 20 years. After completing the 10-year lock-in period, the buyer will have the option to surrender by paying surrender charges Removal of additional SUC of 0.5% for spectrum sharing No SUC on spectrum acquired in future spectrum auction

Regulations	Development
SUC	In June 2022, the DoT removed the 3% floor on SUC, as it announced the weighted average of SUC to be calculated by the sum of the product of spectrum holdings and applicable SUC rate divided by the telecom company's total spectrum holdings. No SUC will be applied on spectrum auctioned in 2022.
Universal Service Obligation Fund (USOF)	USOF was started by the Government of India in 2003 to provide telecom services (including mobile services, broadband connectivity, and ICT infrastructure creation – added in 2006) for rural and remote areas in India Under USOF, some projects are allotted to various mobile service providers for providing mobile network in the country, especially in rural and remote areas. Over 2020 and 2021, projects were assigned for setting up mobile connectivity in over 8000 uncovered villages across Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Himachal Pradesh, Maharashtra, Madhya Pradesh, Odisha, Rajasthan, Uttarakhand, Uttar Pradesh, Jammu and Kashmir and Ladakh Northeast was among the key regions to receive funds for expansion of mobile networks with 26.2% share. This region has seen installation of 2,207 towers until December 2023 under the USOF scheme. In 2017, nearly 2,000 mobile towers were installed in 2,128 uncovered village and national highways in Assam and Northeast states. This has helped the telecom companies to increase their penetration in the area. In July 2022, the project for saturation of 4G mobile services in uncovered villages across the country was approved to provide 4G mobile services in 24,680 uncovered villages in remote and difficult areas. In addition, 6,279 villages having only 2G or 3G connectivity would be upgraded to 4G.
5G auctions	The DoT accepted the price cuts recommended by TRAI for the 2022 5G auctions. Also, the Cabinet permitted enterprises to run 'captive non-public networks'. Enterprises were allowed to take spectrum on lease from service providers to run private network.

Source: TRAI, DoT, PIB, Crisil Intelligence

Key challenges and risks in the Indian telecom industry

Spectrum is regulated and available through DoT auction

In India, spectrum auctions are held for 22 telecom circles and a telecom company needs to acquire spectrum in each circle to provide comprehensive coverage to its consumers. Operators are also required to acquire a unified license with authorisations for access services in each circle before they participate in auctions. So, if a new telecom company plans to launch services in a particular region, it will have to buy both a spectrum and licence for the entire circle. Further, it would have to either wait for spectrum auction or acquire a telecom company with a spectrum portfolio. Currently, acquisition costs are prohibitive, given significant consolidation in the domestic industry.

High capital investments vital for sustaining telecom services

Telecom players require substantial capital to purchase spectrum through government auctions and establish and maintain their network infrastructure. Further, the telecom industry remains susceptible to rapid technological changes, necessitating fresh investments or significant overhaul of existing networks.

The industry spent Rs 1,500 billion during the 5G auction in 2022, with Reliance Jio, Bharti Airtel and Vodafone Idea accounting for Rs 800.8 billion, Rs 430.4 billion and Rs 188.0 billion, respectively. Further, Indian telecom operators have spent nearly Rs 3,000 billion since 2014 to acquire spectrum across various bands.

The telecom sector has low average asset turnover ratio of 0.3 times (fiscals 2020-23), indicating high capex requirements on a sustained basis. Capex intensity is high and estimated at ~30% of total revenue in fiscal 2023 and ~25% in fiscals 2024 and 2025.

Even network opex was 25-30% of revenue based on the data collated for industry players over fiscals 2021-23. Thus, the telecom industry's high capital intensity acts as a strong entry barrier for new entrants.

Hurdles in establishing network coverage across India and competing with established players

India's vast landscape and rugged terrain make the process of setting up infrastructure extremely complex and expensive. Hence, new players will face several challenges in matching the coverage of established companies. A new telecom player would face many roadblocks while establishing network coverage across India. The cost per customer is higher in rural areas than urban areas due to low population density.

Economies of scale important for survival and profitability of players

Given the low average revenue per user (ARPU) compared with other similar markets, achieving economies of scale becomes essential for survival in the Indian telecom sector. The capital-intensive nature of the industry, high network deployment costs and significant investments on infrastructure development would deter a new telecom company unless it has a large customer base to justify the returns.

Consolidated market creates significant entry barriers for new entrants

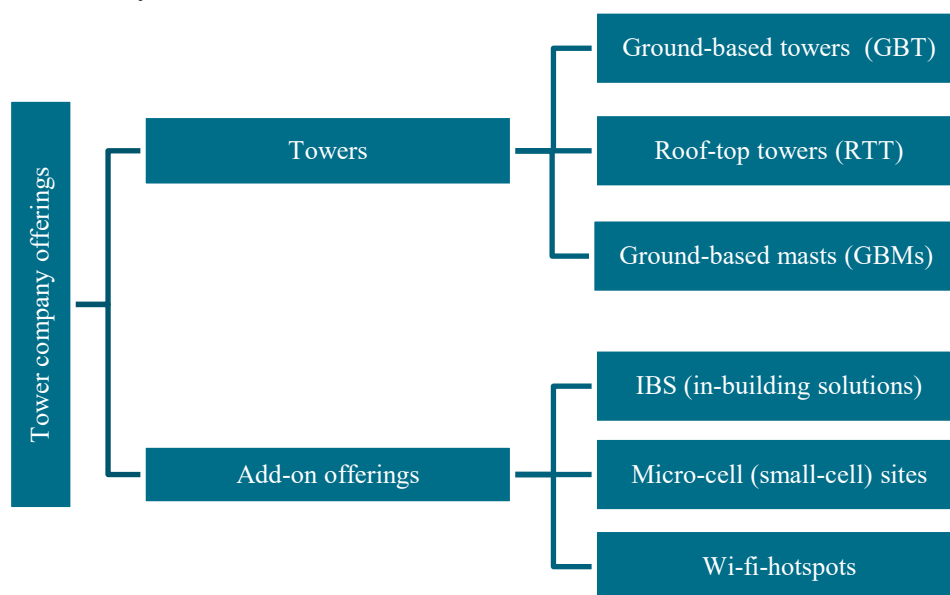
As of fiscal 2024, private access service providers, such as. Reliance Jio, Airtel and Vodafone Idea, accounted for ~92% of total wireless customers, while the reminder ~8% share was with PSUs. While Bharti Airtel and Vodafone Idea have been longstanding players in the Indian market, Reliance Jio disrupted the telecom landscape after its entry in 2016. These telecom giants, with nationwide coverage, are aggressively competing to increase their customer base and expand their network. They are strategically targeting the vast non-4G customer base in rural areas using legacy feature phones. Thus, competition extends beyond customer acquisition, and includes content bundling, collaboration with smartphone manufacturers for budget-friendly devices and intensified sales efforts through distribution channels. For a new entrant, competing against these established players is exceedingly challenging, given their extensive coverage, robust infrastructure, comprehensive spectrum portfolios, and understanding of the Indian telecom customer landscape.

3. An assessment of telecom tower industry in India

3.1 An overview of telecom tower industry

The tower segment, traditionally divided into ground-based towers (GBT) and roof-top towers (RTT), has marginally diversified into IBS (in-building solutions), micro-cell (small-cell) sites, and Wi-Fi-hotspots due to an increase in data traffic and technological advancements. These new technologies, having begun to proliferate in the Indian sub-continent on a small scale, are expected to expand their presence in the future as telecom service providers (TSPs) look to densify their existing network coverage.

Telecom towers industry – an overview



Source: Crisil Intelligence

Additionally, within telecom towers, the industry can be further subdivided on the basis of active and passive infrastructure. Passive infrastructure forms the majority at around ~70% of the capital costs of setting up a wireless network in India and includes towers, shelters, power-regulation equipment, battery back-ups, diesel generator (DG) sets, air-conditioners, fire extinguishers and security cabins required at sites where telecom towers are installed.

Telecom towers are mainly of two types – i.e., ground-based or roof-top towers, RTT and GBT. RTT requires less space compared with GBT and has lower installation cost. However, its capacity is comparatively less than that of RTT.

Additionally, space limitations on each site and overall limited availability of land for tower installation have expanded the traditional tower products to ground-based masts (GBMs) that occupy lesser space relative to GBTs and RTTs.

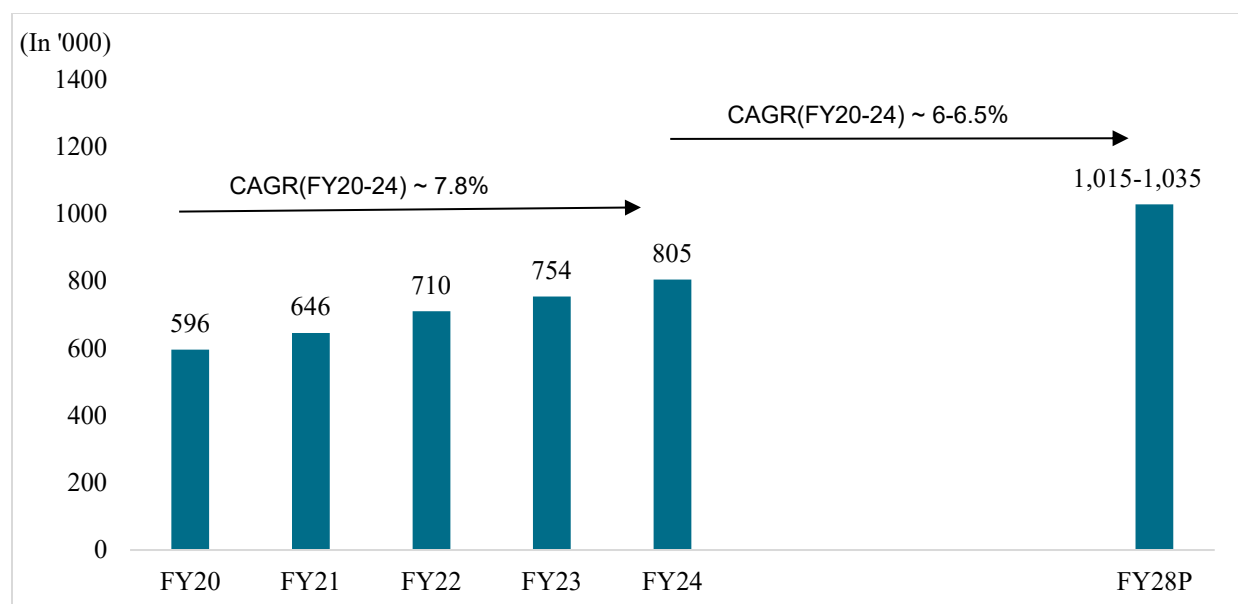
Necessity for new infrastructure to enhance connectivity driving tower demand

Telecom service providers are continuously expanding their services and acquiring new customers, translating into more infrastructure demand. The number of telecom towers as of fiscal 2024 is estimated to be about ~0.754 million compared with ~0.596 million in fiscal 2020, a CAGR of ~7.8%. The growth was supported by the expansion of network coverage on rural side, requiring installation of additional towers. Additionally, over the past five years, the rise in data traffic amid 4G and 5G services expansion, the need to improve network reach and quality, and increasing penetration of operators in rural areas have driven growth in the telecom towers industry.

Additionally, rapid urbanisation is also supporting the tower industry. Urbanisation leads to higher population density in cities, which requires more towers to handle the increased communication traffic to improve connectivity and reduce network congestion.

Moving forward, Crisil Intelligence estimates the number of towers to grow 6-5.5% between fiscals 2024 and 2028, respectively, driven by an increase in demand for BTS (Base Station Transceiver).

Number of towers in India



Source: Crisil Intelligence

GBTs to dominate tower industry, despite a decrease in their share

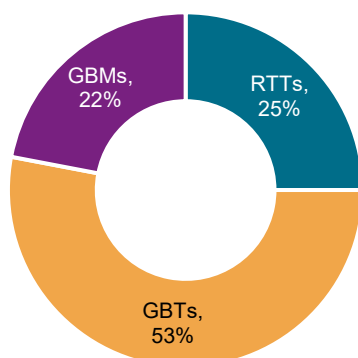
As of fiscal 2024, GBTs are estimated to be dominating the overall tower industry with a share of 53%, followed by RTTs at 25% and GBMs at 22%.

However, going forward, share of GBTs is estimated to decrease owing to high capex and space constraints. The cost of building a GBT is Rs 2.5-3.0 million, more than double that of building an RTT. However, GBTs can accommodate three-five tenants, whereas RTTs can only house two-three tenants. Monopole towers are ~75% cheaper than GBTs and can house 1-2 BTSs.

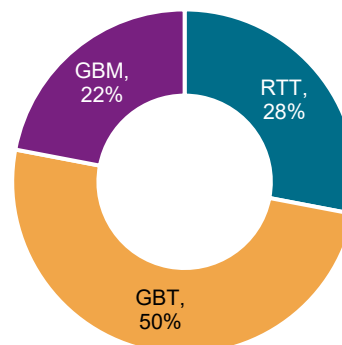
This fiscal the share of GBTs is expected to decline to ~49-51%, while that of RTTs is expected to be 27-29% and GBMs' 21-23%.

Segmentation of telecom towers based on installation type

FY24E



FY26P



Notes: E – estimated; P – projected

GBMs: Ground based monopoles, GBTs: Ground based towers, RTTs: Rooftop towers

Source: Crisil Intelligence

3.2 Key government regulations

No provision for input tax credit

Government released sector-specific rates under the goods and services tax (GST) in May 2017.

Under the GST regime, towers are not getting the benefit of input tax credit as everything attached to the earth is considered an immovable property. Given the inability to pass on the impact of GST to telecom players, the tower players may witness a negative impact on their bottom line.

An order by the Delhi High court in 2018 had allowed central value added tax (CENVAT) credit on telecom towers and parts, including prefabricated shelters, which were in dispute. The tax authorities was of the view that on the ground of 'immovable' nature of equipment, the tower firms did not qualify for input tax credit.

National Digital Communications Policy 2018

The DoT released the draft national telecom policy, rechristened National Digital Communications Policy (NDCP) 2018, for consultation on May 1, 2018.

Key provisions in the draft policy related to towers and allied services are:

- It facilitates fibre-to-the-tower programme to enable fiberisation of at least 60% base stations thereby speeding up the migration from 2G/3G to 4G/5G
- Extends incentives and exemptions for the construction of telecom towers
- Promotes deployment of solar and green energy for telecom towers
- Creates a broadband readiness index for states/ union territories to attract investments and address and accelerate right of way (RoW) challenges

Currently, less than one-fourth of the towers are fiberised in India compared with more than three-fourth in major economies, such as China and the US. Fiberisation will quicken expansion of the Internet of Things (IoT) ecosystem to 5 billion connected devices.

On 11 August 2022, the DoT had sought TRAI's recommendations on creation of a new category of license, Telecom Infrastructure License (TIL); the terms and conditions for according such license; applicable license fee etc. under Section 11(1) (a) of the TRAI Act 1997. In response, the regulator released recommendations on telecommunication infrastructure sharing, spectrum sharing and spectrum leasing on 24 April 2024.

Ambiguity in RoW implementation impacts tower rollouts

However, RoW has been an issue for the telecom sector participants in India. Delays because of variable and complex procedures across states, non-uniformity in levies and obtaining approvals from the forest department, railways and National Highway Authority of India have greatly impacted planning and rollouts of towers and fibre laying across the country.

RoW rules introduced in November 2016 are yet to bring benefits to the telecom sector owing to lack of clarity and hesitancy of some states. The rules should have expedited the deployment of underground (optical fibre) and over ground (mobile towers) infrastructure in India. They rationalise administrative expenses for fibre across the country to a maximum of Rs 1,000 per km and for overhead towers at a maximum of Rs 10,000 per application.

Additionally, as per the Right of Way (Amendment) Rules, 2023, licensees are allowed to deploy telecom infrastructure over a private property without approval from the concerned government authority. This will boost tower additions going forward and hasten the creation of 5G infrastructure in the country.

According to the dashboard on the RoW portal, as of May 2024, 34 states/union territories have been on-boarded, with 53,364 applications received so far, out of which 19,330 were approved, 17,042 rejected, 21,564 pending, and 1,854 sent back. This is creating huge impediments in installation of mobile towers and, in turn, affecting quality of service according to the Tower and Infra Providers Association (TAIPA).

Infrastructure status accorded to telecom towers

The government accorded infrastructure status to telecom towers in 2012, which meant the segment will get all the benefits the infrastructure sector enjoys, including priority electricity connection. Also, to avoid any disruption in communication, it was specified that BTSs could not be sealed or electricity supply to them disconnected without approval of the respective telecom enforcement, resource and monitoring cell of the DoT in case of radiation-related issues.

Regulations regarding health impact spread of towers

Different state government agencies follow different approval procedures for setting up telecom towers. Also, the state governments have certain reservations when granting approvals for telecom towers in residential areas on account of health concerns. This could delay expansion plans of tower companies.

The DoT fixes standards for exposure limits of radio frequency field emissions from BTSs, monitors their compliance, addresses all radiation-related technical issues and seeks Standing Advisory Committee for Frequency Allocation's (SACFA) clearance for frequency allocation.

Multiple government bodies have placed restrictions on new tower constructions, on grounds that they pose health hazards and congest the skyline. Operators emitting more than approved levels of radiation are fined Rs 1,000,000 per BTS. According to the new rules, tower companies have to submit a compliance certificate within 15 days of switching on a telecom tower. In addition, many towers, especially in urban areas, face danger of being declared illegal. This poses a major challenge for tower companies while considering investments in new towers.

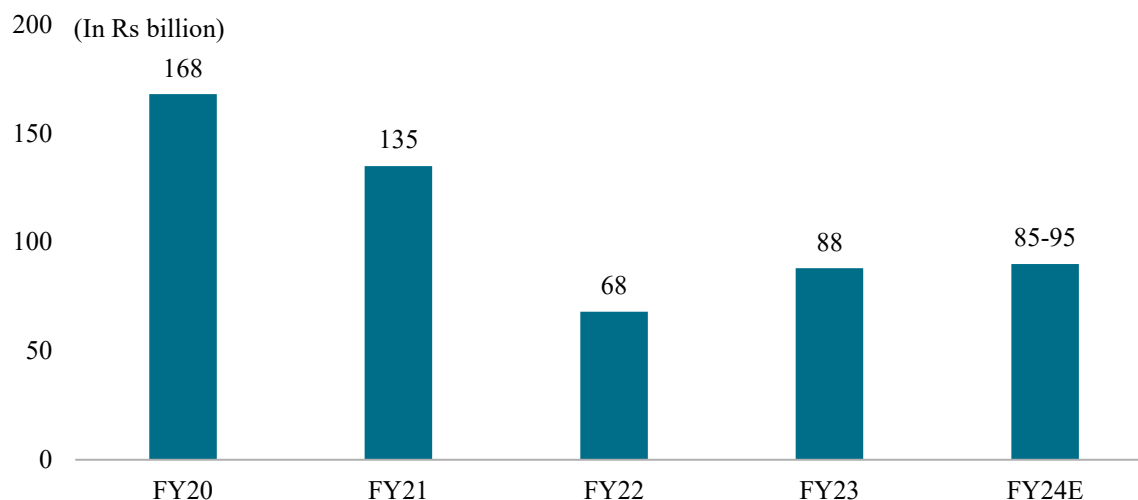
3.3 Capex to moderate in near term

The telecom tower business is capital-intensive as it entails setting up of towers, upgrading them to accommodate new tenants and improving efficiency by upgrading to more efficient technology/ power sources. Companies incur an upfront capital cost for the construction of mobile towers. The cost depends on the type of tower — GBT or RTT or monopole. The cost of building a GBT (Rs 2.5-3.0 million) is more than double that of an RTT. Monopole towers cost ~75% lesser than a GBT and can house 1-2 BTSs. Apart from construction capex, players also need to spend on maintenance, the addition of tenants and making sites diesel-free after installation.

The telecom tower industry witnessed exponential growth in construction and upgradation capex over fiscals 2016-2021 owing to massive network expansion and the 4G rollout. During the period, over ~1,100,000 BTSs were cumulatively added to roll out 4G services. During fiscals 2021-2024, ~698,000 BTSs were added.

However, going forward, capex is expected to moderate as telcos are currently focusing on replacing 2G and 3G tenancies with 4G tenancies. 4G BTSs will see a slower growth and 5G BTSs are expected to increase as the telecom operators strive to widen the subscriber base for 4G and 5G services. While players will likely use alternative technologies such as small cells and multiple-input and multiple-output (MIMO) to augment the tower capacity, the need for speedy 5G deployment will result in the installation of incremental towers and BTSs with 5G capability resulting in construction capex.

Capex in telecom tower sector



Note: E - estimated

Crisil's forecast is based on the expansion of operators, estimated mix of GBTs and RTTs, capex required to build a tower, and incremental capex needed to maintain it. But it does not include the capex incurred by telcos to build their captive towers.

Source: Crisil Intelligence

Passive telecom infrastructure market estimated at ~Rs 1,652 billion between fiscals 2025-28

Telecom tower companies set up an entire range of passive infrastructure to be used by telecom operators to offer services to their subscribers. Passive infrastructure refers to equipment such as towers, shelters, power regulation equipment, battery back-ups, diesel generator (DG) sets, air-conditioners, fire extinguishers and security cabins required at sites where telecom towers are installed.

Passive infrastructure does not play any role in carrying wireless signals, but it is a vital part of the network as it ensures the operability of active components. Though passive infrastructure is independent of the type of communication technology being used, the extent of its installation is determined by the number of operators mounting their base stations at a particular site.

Some of the key passive infrastructure products are:

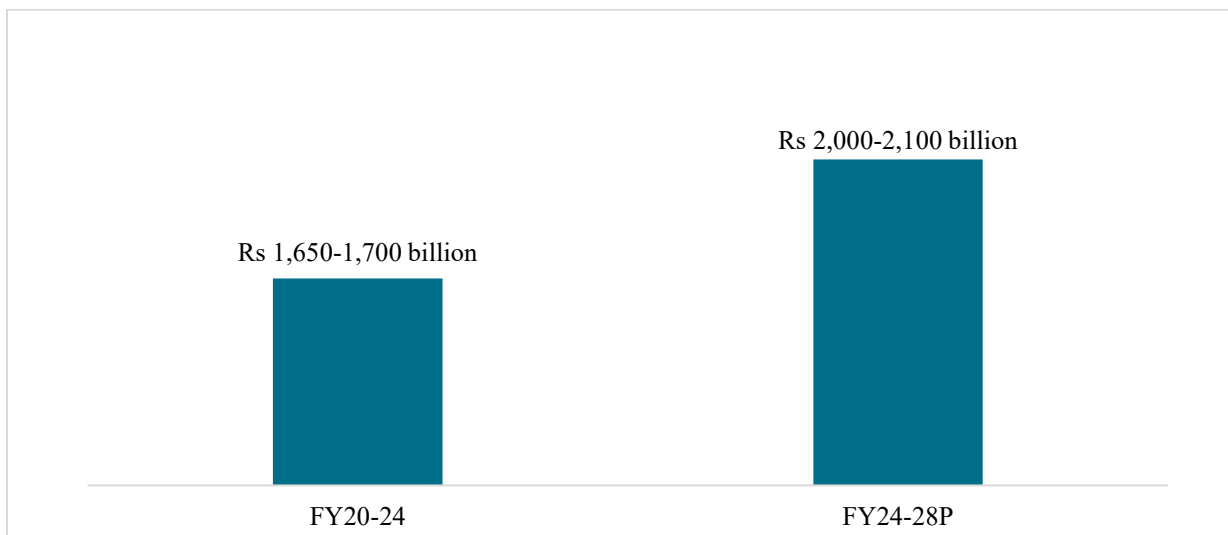
Product	Description
Shelter	An enclosure that houses the BTS and other equipment at tower sites. The shelter keeps the equipment at tower sites protected from the vagaries of the external environment and reduces the amount of sunlight coming into the room where the BTS is housed.
Power management system	The system performs the functions of handling power fluctuations, phase selection and lightning & surge protector

Air conditioning systems	It is used to cool down the temperature within the shelter.
Battery back-up	It provides back-up during short term disruptions of power supply
Diesel generator set	It provides back-up power supply in case of prolonged disruptions of electricity supply

Source: Crisil Intelligence

Between fiscals 2020-2024, passive telecom infrastructure market size in India is estimated at Rs 1,650-1,700 billion (cumulative) and is projected to increase moving forward to ~Rs 2,000-2,100 billion between fiscal 2023-2028.

Passive telecom infrastructure market in India



Source: Crisil Intelligence

4G rollout by BSNL, 5G expansion by private players to aid tower industry

The telecom industry has seen significant disruption over the past few years as the market shrunk to four players in fiscal 2021 from eight in fiscal 2018. However, a steady increase in tower additions owing to a surge in data and voice usage, 2G/3G to 4G migrations, 4G network expansion by BSNL and 5G rollout plans by the other private players are estimated to aid the telecom tower industry going forward.

The government approved the first revival package for BSNL/MTNL in 2019, which amounted to Rs 690 billion. It stabilised the companies. In 2022, the government approved the second revival package worth Rs 1.64 trillion, which provided financial support for capex, viability gap funding for rural landlines, financial support for destressing the balance sheet and settlement of AGR dues, merger of BBNL (Bharat Broadband Network Limited) with BSNL, etc. As part of the Atmanirbhar Bharat mission, BSNL has planned for deployment of 100,000 4G sites across the country. With upgrading of 4G equipment to 5G, BSNL will make its entry into 5G services as well.

As part of the revival strategy, the Union Cabinet approved the third revival package for BSNL in June 2023 with the total outlay of Rs 890.5 billion, including allotment of 4G/5G spectrum for BSNL through equity infusion. Subsequently, BSNL had issued purchase order to Tata Consultancy Services (TCS) for the supply and commissioning of 4G indigenous core and 100,000 4G BTSs across the country for a total cost of Rs 190 billion.

The consortium of TCS (for software support and system integration), CDOT (for core technology) and Tejas (for the radio network) was selected by BSNL for implementing its 4G project. TCS is the lead partner. The proof of concept was successfully conducted by the consortium in BSNL's Ambala and Chandigarh networks.

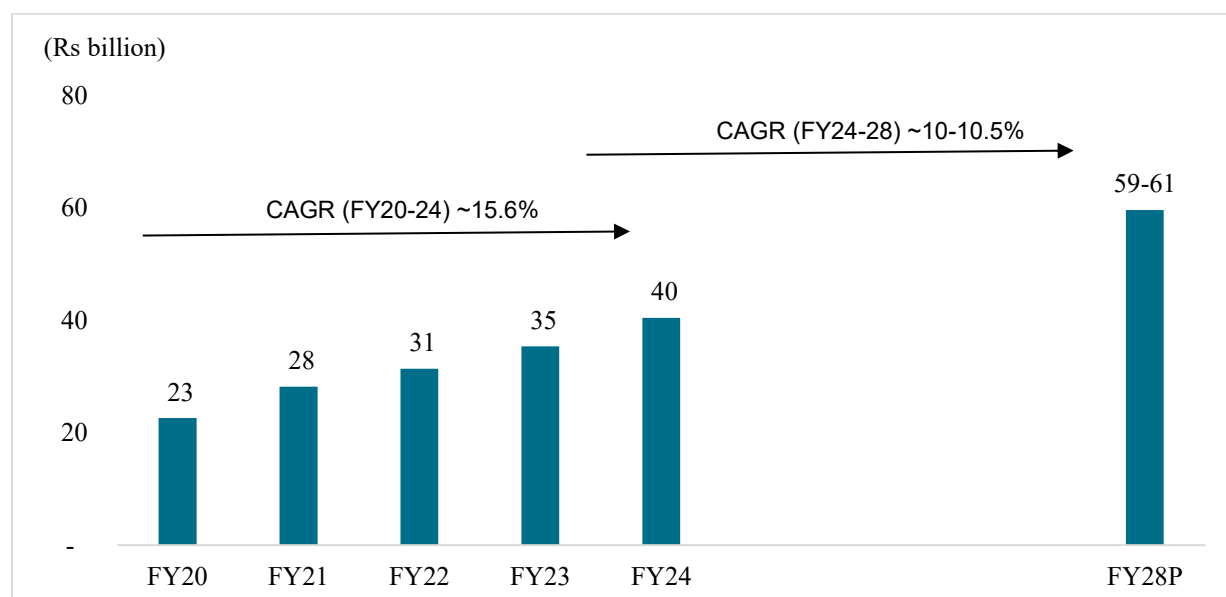
Market of maintenance of telecom towers to rise on back of tower additions

Tower companies incur a considerable amount of capex to maintain different towers and ensure their smooth functioning. A tower consists of various components that need regular servicing to increase the life of the tower and prevent disruptions. Hence, they incur capex to maintain and service the equipment such as DG sets, air-conditioners and electrical equipment.

Maintenance capex is usually incurred on towers (and related infrastructure) that are two-three years old. Further, the existing towers will likely warrant higher maintenance expenses. The allocation for repairs and maintenance is likely to rise in proportion with the rise in overall capex.

As of fiscal 2024, telecom tower maintenance industry stood at ~ Rs 40 billion, up from Rs 23 billion in fiscal 2019. During this period, the industry had registered a CAGR of ~15.6% majorly driven by high number of tower additions. Moving forward, industry growth is expected to moderate to ~10%-10.5% due to slow down in tower addition.

Telecom tower maintenance market size in India



Note: The aforementioned market size includes only maintenance expenditure incurred related to tower. It does not encompass operating expenses like rent, power and fuel, etc.

Source: Crisil Intelligence

Key entry barriers for the telecom tower industry

Parameter	Description
High capital requirement	The sector demand huge capital expenditures into land acquisition, construction and erection of tower and the periodic maintenance.
Regulatory and policy hurdles	The sector requires multiple approvals from the central, state and local authorities such as environmental clearances, land use, permissions, and structural safety etc. The telecom towers have to comply with stringent regulations such as radiations norms, safety and other certifications. Navigating the regulatory landscape for new entrant is extremely difficult

Economies of scale by established players	Existing players have a long-standing relation with the stakeholders of telecom tower industry including the tower operators and telecom companies. These players can execute the construction within timelines while effectively managing cost overruns and operational challenges as they already have a reliable vendor and supplier ecosystem. All these parameters make it difficult for new entrants to compete on cost and quality.
Dependence on a small set of stakeholders for demand	The larger share of demand for the telecom tower comes from either the government or consolidated telecom industry. Acquiring projects from these stakeholders require aggressive bidding, strong technical, financial and operational capabilities with illustrious past credentials. This aspect favours the established players compared to the new entrants.

Source: Crisil Intelligence

Key challenges and risk factors

3.3.1.1 RoW yet to bring benefits to telecom tower industry

Introduced in November 2016, the RoW rules did not bring any benefit to the telecom sector as they lacked clarity and many states remain hesitant to comply. The rules could have been a key enabler for expediting the deployment of underground (optical fibre) and overground (mobile towers) infrastructure in the country. They aim to rationalise administrative expenses across the country to a maximum of Rs 1,000 per km for fibre and a maximum of Rs 10,000 per application for overhead towers.

However, delays as a result of variable and complex procedures across states and non-uniformity in levies greatly impacted the planning and rollouts of towers and fibre laying across the country. The NDGP 2018 advocates establishment of a National Digital Grid by creating a National Fibre Authority; establishing Common Service Ducts and utility corridors in all new cities and highway road projects; creating a collaborative institutional mechanism between the Centre, states and local bodies for common RoW; standardising costs and timelines; and removing barriers to approvals. However, the implementation will remain a key monitorable. In April 2022, the DoT launched a centralised RoW portal, Sugam Sanchar (translated as accessible connectivity), which will provide single-window clearance for stakeholders to apply and track applications. According to the dashboard on the portal, 34 states/ union territories have been onboarded, with 53,364 applications received so far, of which 27,942 have been approved, 15,287 rejected, 7,553 pending, and 2,582 sent back.

3.3.1.2 Loading of sites hurt revenue generating potential of towers

A loaded site implies that a single telecom operator has installed more than one BTSs on a single tower. Telecom tower players offer discounts to telecom service providers to install multiple BTSs on the same tower. A loaded BTS commands a much lower rent (~50% of the actual rent that a single tenant pays), and hence, impacts revenue generation for the tower company.

Going forward, the industry is expected to witness loaded sites to account for a higher proportion of incremental tenancies, as operators look to improve the quality of service to retain subscribers. This will be done by installing capacity BTSs at sites that already have coverage BTSs. Capacity BTSs help reduce congestion in select areas and improve network efficiency. However, they will mostly be loaded on to existing BTSs, thus hurting the revenue generation of tower players.

3.3.1.3 Consolidation, entry of a new captive player hurt industry

Consolidation of telecom players is a key risk for tower companies as it results in the loss of overlapping tenancies. Although, this risk is somewhat offset by consolidation among the tower companies.

Consolidation in the telecom industry has not only resulted in a shift in the bargaining power in favour of the TSPs but also in a loss of certain tenants/ tenancies. As a result, telecom players are bargaining aggressively for competitive rates for new tenancy additions. Entry of captive tower companies with sizable towers is expected to have pressured rent revenue and margin in the industry.

3.3.1.4 Zoning may cause speed bumps in tower rollouts

Multiple government bodies are placing restrictions on the construction of telecom towers (a practice called zoning) as they are considered a health hazard. Mobile tower radiation in India is governed by guidelines drawn from recommendations of the International Commission on Non-Ionising Radiation Protection. All operators are required to get their BTSs certified for radiation. Operators emitting more than the approved levels of radiation must pay a fine of Rs 1,000,000 per BTS.

There is still uncertainty about which all areas are permitted for tower installation. Towers are not allowed to be installed on government buildings, hospitals, defense areas, etc. Controversies about health hazards with respect to the emissions from towers compound the difficulties.

3.3.1.5 Active Infrastructure sharing

Traditionally, telecom players shared only towers (passive infrastructure). However, with newer concepts such as radio access network sharing and after the DoT permitted active infrastructure sharing in 2008, operators may increasingly begin sharing BTSs, back haul and even base service stations (BSCs). This has led to significant savings in terms of capital and operating expenditure for operators but has also reduced the tenancy for tower players. In NDCP-2018, there was a proposal to expand coverage of Infrastructure Providers Category-I (IP-1) infra sharing and its outcome remains a key monitorable. This has enabled a significantly enhanced scope of services for IP-1 and provides passive as well as active infrastructure services to enhanced service providers, including TSPs.

However, sharing active infrastructure is a technically complex process, as network planning can vary significantly across operators and locations. Globally, too, active infrastructure sharing has not been very successful.

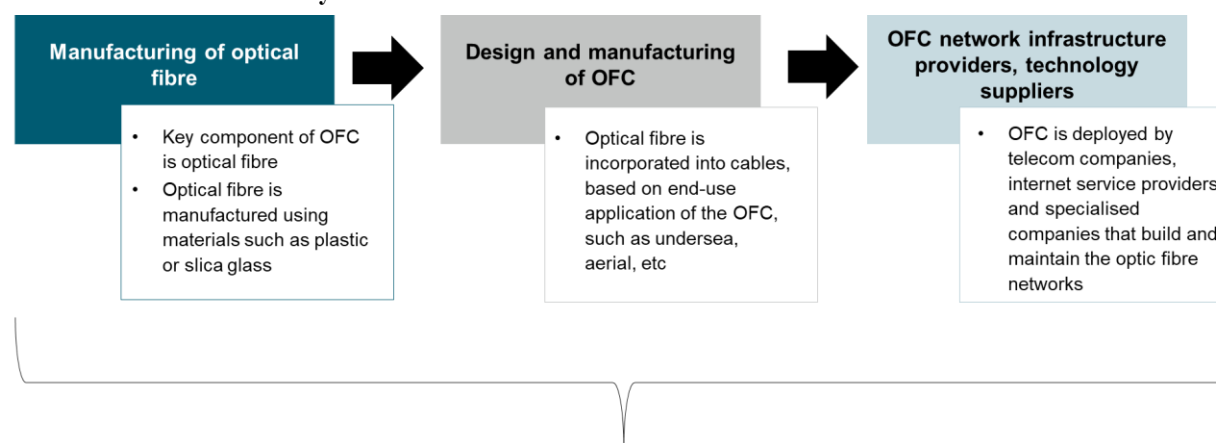
4. Assessment of optical fibre EPC industry in India

4.1 Overview of EPC industry

The optical fibre cable (OFC) industry is a vital cog of the telecom industry, supporting a large digital ecosystem with high-speed internet and robust data transmission capacity.

In fact, the OFC industry involves numerous stakeholders across the value chain, starting from raw material suppliers to the final deployment and maintenance of OFC networks.

Value chain of OFC industry



The optical fibre and the OFC industries follow international standards and regulations as per International Telecommunication Union, International Electrotechnical Commission, and national/regional bodies

Source: Industry, Crisil Intelligence

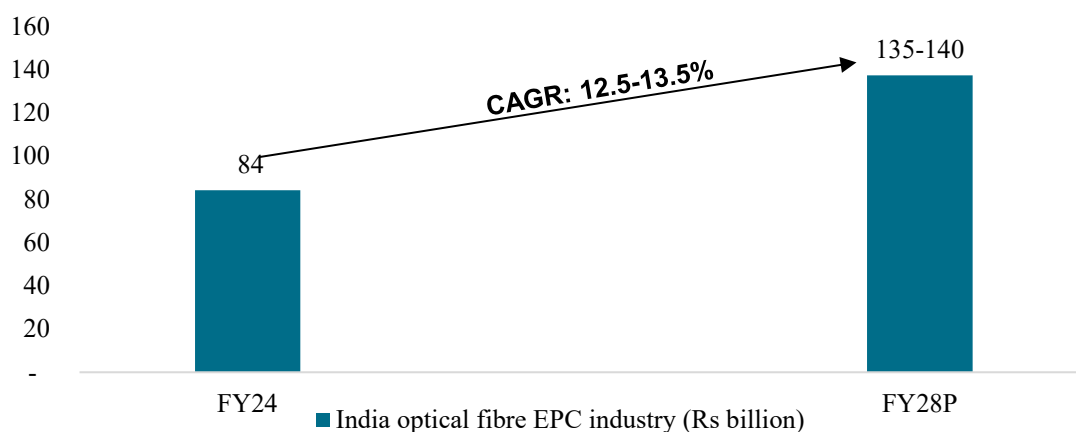
Optical fibre EPC industry in India seen at Rs 135-140 billion by fiscal 2028

The Indian optical fibre EPC industry is defined according to service offerings, such as optical fibre laying and roll-out, network deployment, and system integration across end-use sectors, such as telecommunications, defence,

railways, smart cities, IT, and enterprises, etc. In fact, the optical fibre network is the backbone of the burgeoning digital economy of India.

The industry, which was estimated at ~Rs 84 billion as of fiscal 2024, is expected to grow to Rs 135-140 billion by fiscal 2028, which is a CAGR of 12.5-13.5%, supported by drivers such as digital transformation across sectors, growing 5G coverage and infrastructure, fibre to the home (FTTH), government schemes and policies (BharatNet, Digital India, Smart Cities, Fiberisation targets, etc), and systems and network modernisation across sectors such as defence, railways, etc.

Optical fibre EPC industry in India



P – projected

Note: The industry size includes optical fibre EPC projects implemented by third-party service providers and excludes optical fibre network deployment by an entity through its group companies

Source: Industry, Crisil Intelligence

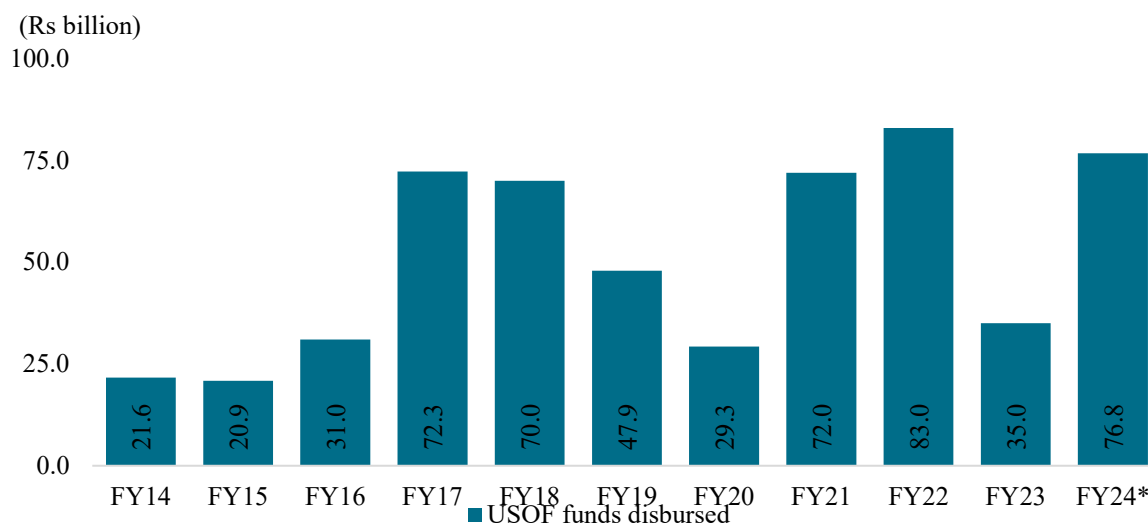
Government schemes and regulations to support optical fibre EPC industry

4.1.1.1 Capital allocation to USOF and DoT projects to aid growth

The industry's growth is aided by government investments in the telecommunications sector. Between fiscals 2017 and 2024, union budget allocation towards the DoT logged a CAGR of 22.3%, led by higher allocation towards USOF and DoT projects, including towards the domestic industry incentivisation schemes (such as PLI) and wireless planning and coordination. For fiscal 2024, Rs 975.8 billion was allocated to the telecommunication ministry, which is ~2% of the overall budget and up 19% on-year. Of this, Rs 530.0 billion was infused in BSNL.

The USOF fund was started by the Government of India in 2003 to provide telecom services (including mobile services, broadband connectivity and information and communication technology (ICT) infrastructure creation, added in 2006) for rural and remote areas. Under the fund, some projects are allotted to various mobile service providers to facilitate mobile network, especially in rural and remote areas. Additionally, ~Rs 560 billion was cumulatively disbursed starting from fiscal 2014 until December 2023 under various projects.

USOF funds disbursal



* As on December 31, 2023

Source: Universal Service Obligation Fund, Department of Telecommunications, Ministry of Communications, Government of India, Crisil Intelligence

Also, allocation towards the Digital India programme, which includes electronic governance, capacity building and skill development, manpower development, promotion of electronics and IT hardware manufacturing, and promotion of digital payments, among others, has seen a cumulative investment of ~Rs 290 billion since fiscal 2017, with ~Rs 48 billion budgeted for fiscal 2024

4.1.1.2 NHAI's Digital Highways presents major opportunities for the industry

The National Highways Authority of India aims to develop ~10,000 km of OFC infrastructure across the country by fiscal 2025. The implementation of the OFC network and Digital Highways will be done by developing integrated utility corridors along national highways.

For the development of Digital Highway, a stretch of ~1,367 km along the Delhi-Mumbai expressway and 512 km along the Hyderabad-Bengaluru corridor have been identified as pilot routes. A three-metre-wide dedicated utility corridor to lay OFCs is part of the 246 km-long Delhi-Dausa-Lalsot section of the Delhi-Mumbai expressway. The network will aid the provision of internet connectivity to remote areas and new telecom technologies, such as 5G and 6G.

The network will be leased out on a fixed-price allotment mechanism on an 'open for all' basis through a web portal to eligible users. The OFC allotment policy is being finalised in consultation with the DoT and the TRAI.

4.1.1.3 BharaNet scheme to significantly boost optical fibre connectivity across Indian villages

The government's BharatNet project is one of the biggest rural telecom projects globally. It is scheduled to be implemented in a phased manner in all gram panchayats (~0.25 million) in the country for access to broadband connectivity to all telecom service providers.

The total funding of the scheme (phase-I approved in 2011 and phase-II in 2017) is Rs 420.68 billion (exclusive of Goods and Services Tax, octroi and local taxes). Since inception and as on December 31, 2023, a total of Rs 398.25 billion was disbursed under the project.

As of July 2024, 2,12,778-gram panchayats are connected through the BharatNet project and 6,86,963 km of OFC has been laid. Additionally, as on May 5, 2024, 10,22,018 FTTH connections had been commissioned and 104,574 wi-fi hotspots installed to ensure last-mile connectivity.

In 2023, the Cabinet approved an outlay of Rs 1.39 trillion for BharatNet, the government's project for last-mile connectivity across 6.4 lakh villages in the country. This outlay is significantly more than that of Rs 420.68 billion of phases I and II combined.

Further, in February 2024, BSNL rolled out a Rs 650 billion tender for phase III, which represents a major opportunity for domestic optical networking product suppliers, such as Sterlite Technologies, HFCL, Birla Cable, Vindhya Telelinks, etc.

4.1.1.4 National Broadband Mission targets 70% fiberisation in India's telecom industry by fiscal 2025

By fiscal 2025, the National Broadband Mission targets to fiberise 70% of India's BTS, ideal for the efficient rollout of 5G services. However, with fiberisation at 35.11% in India as of June 2022, ~0.3 million km must be covered nationally in fiscals 2024 and 2025. Hence, to achieve the remaining target, telecom operators will have to spend Rs 1,250 billion on incremental BTS for 5G.

But the pace is increasing. The total length of optical fibre laid as on June 30, 2023 was 3,726,577 km compared with 2,812,627 km as of end-September 2022. The government envisages fiberisation to be increased up to 5.0 million km by fiscal 2025, while targeting 1.5 million tower fiberisation.

Meanwhile, as of July 2022, the OFC network of ~1 million route km laid by public sector undertakings BSNL, BBNL, RailTel Corporation of India Ltd, MTNL, GAIL (India), and ~573,000 telecom towers installed by TSPs were mapped on the PM GatiShakti National Master Plan portal.

4.1.1.5 Strong government support to BSNL

As part of its commitment towards enhancing services in the telecom sector, the government has from time-to-time infused capital into BSNL for it to remain relevant against private competitors for implementing the latest technologies.

In 2019, the government approved the first revival package for BSNL/MTNL worth Rs 690 billion. In 2022, with the approval of the second revival package of Rs 1.64 trillion, state-run entities gained financial support for capex, viability gap funding for rural landlines, financial support for de-stressing the balance sheet, and settlement of adjusted gross revenue dues and merger of BBNL with BSNL. In June 2023, the third revival package for BSNL with the total outlay of Rs 890.47 billion was approved.

4.1.1.6 Amendments to RoW rules and GatiShakti Sanchar portal for faster 5G rollout and fiberisation

In August 2022, the government released amendments in the Indian Telegraph Right of Way (RoW) Rules, 2016 to facilitate faster and easier deployment of telecom infrastructure. Subsequently, the average time for approval of RoW applications reduced to 16 days in July 2022 from 435 days in 2019. In addition, certain revisions to the processing fees were part of these amendments. The administrative fee for laying overground optical fibre was limited to Rs 1,000/ km. Also, as per the amendments, the street infrastructure may be utilised at a nominal cost of Rs 100/annum to install overground optical fibre. Further, if the telecom licensee is laying cables using horizontal directional digging technology and not digging a full trench, then restoration charges apply only for the pits and not for the entire route.

The government has also launched the GatiShakti Sanchar portal for the Centralised RoW approvals. The portal is now functional with all 36 states/union territories onboard and integrated with the Ministry of Railways, Ministry of Road Transport and Highways, and Ministry of Defence-Director General of Military Operations.

The portal acts as a common single point for RoW permissions to lay OFCs and erect mobile towers to be used by TSPs as well as infrastructure providers to aid faster infrastructure development, which will enable quicker 5G deployment.

4.1.1.7 Government is providing public wi-fi service through PM-WANI

To expedite the expansion of broadband internet services, the government introduced the Prime Minister Wi-Fi Access Network Interface (PM-WANI) in 2020. The public wi-fi service is available across the country through public data offices, and has 182,034 wi-fi hotspots, including 100 train stations spanning 22 states.

In August 2022, the government introduced a 5-P model (people-panchayat-public-private-partnership) to broaden the reach of the PM-WANI scheme, extending its coverage to the country's rural areas and hinterlands. This model emphasises on collaboration between people, local governance bodies (panchayats), and public and private entities to facilitate the implementation of the PM-WANI initiative in remote and rural regions.

4.2 Key trends and drivers of optical fibre EPC industry

Parameter	Description
Increasing demand for bandwidth	The growing demand for high-speed internet, driven by applications such as video streaming, cloud computing and 5G networks, has significantly increased the demand for optical fibre infrastructure.
5G deployment	The rollout of 5G requires robust and high-capacity optical fibre networks to support the increased data traffic, low latency requirements and connectivity demands of 5G technology.
Data centre connectivity	The expansion of data centres and the adoption of cloud services have driven the need for high-speed, reliable and low-latency connectivity solutions, making optical fibre infrastructure essential.
FTTH deployment	The push for broadband connectivity directly to residences and businesses is driving the deployment of FTTH networks. Governments and service providers are investing in optical fibre to enhance internet access and speeds.
Smart cities and IoT connectivity	The development of smart cities and the increasing number of IoT devices are driving the demand for robust and scalable optical fibre networks to support the connectivity requirements of various smart applications.
Advancements in optical fibre technology	Ongoing advancements in optical fibre technology, such as higher data transmission speeds and improved efficiency, are influencing the EPC industry. These developments aim to enhance the overall performance and capacity of optical fibre networks.
Fiber optic network security	With increasing reliance on optical fibre networks, there is a growing emphasis on implementing security measures to protect these networks from cyberthreats and ensure data integrity.
Global connectivity projects	Initiatives and projects focused on enhancing global connectivity, such as undersea cable systems, are driving the demand for optical fibre EPC services to lay and maintain the necessary infrastructure.

Source: Crisil Intelligence

4.3 Key risks and challenges

Some of the key risks and challenges faced by the industry are:

Parameter	Description
Regulatory and permitting challenges	Complex regulatory requirements and permitting processes can lead to delays and increase project execution costs. Navigating the different regulations in various regions can be a significant challenge.
Cost overruns	Unforeseen construction challenges, changes in project scope, unavailability of RoW, and fluctuation in material or labour costs can lead to cost overruns, impacting project profitability.
Supply-chain disruptions	The optical fibre EPC industry is dependent on a global supply chain for equipment and materials. Disruptions such as equipment and material shortages, transportation issues or geopolitical factors can impact the timely delivery of components.

Parameter	Description
Technological changes and obsolescence	Advancements in deployment technology can render existing techniques obsolete. EPC companies need to adapt to new technologies and ensure that the deployed optical fibre networks remain competitive and meet evolving standards.
Cybersecurity risks	Optical fibre networks are vulnerable to cybersecurity threats. Ensuring the security of the networks against hacking, data breaches and other cyberthreats are critical challenges for the industry.
Environmental impact and sustainability	EPC companies may face challenges related to environmental regulations and sustainability concerns. Balancing the need for expanding networks along with minimising environmental impact is a growing consideration.
Weather and natural disasters	Construction projects are susceptible to weather-related disruptions and natural disasters. Extreme weather conditions, such as hurricanes, earthquakes or floods, can cause delays and damage to infrastructure.
Quality control and performance assurance	Ensuring the quality and performance of the optical fibre networks is crucial. Issues related to network reliability, signal loss or other performance problems can lead to costly rework and also damage the company's reputation.
Skilled labour shortage	The optical fibre EPC industry requires skilled labour for designing, installation and maintenance. Shortage of skilled workers in specific regions can lead to project delays and increased labour costs.

Source: Crisil Intelligence

Key entry barriers

Parameter	Description
High capital requirement	The sector demand huge capital expenditures into advanced equipment and technology for laying the optical fibre infrastructure and network maintenance. In cases where the project cycle is long, the players need to have strong financial resources.
Vertically integrated players	Players in the sector manufacture optical fibres and at the same time provide EPC service. This essentially reduces the costs for these players. Such players pose high threat to new entrants and the larger set of competitors
Dependence on a small set of stakeholders for demand	The larger share of demand for the optical fibre network deployment comes from either the government, consolidated telecom industry or the burgeoning data centre industry. Acquiring projects from these stakeholders require strong technical, financial and operational capabilities with illustrious past credentials. This aspect favours the established players compared to the new entrants.

Source: Crisil Intelligence

5. Overview of solar renewable energy sector in India

5.1 Overview of solar capacity addition in India

Solar energy can be converted to electricity in two ways — PV devices or solar cells and solar power plants. Solar cells convert sunlight directly into electricity, while concentrated solar power plants indirectly generate electricity when heat from solar thermal collectors is used to heat a fluid, which produces steam that is used to generate power.

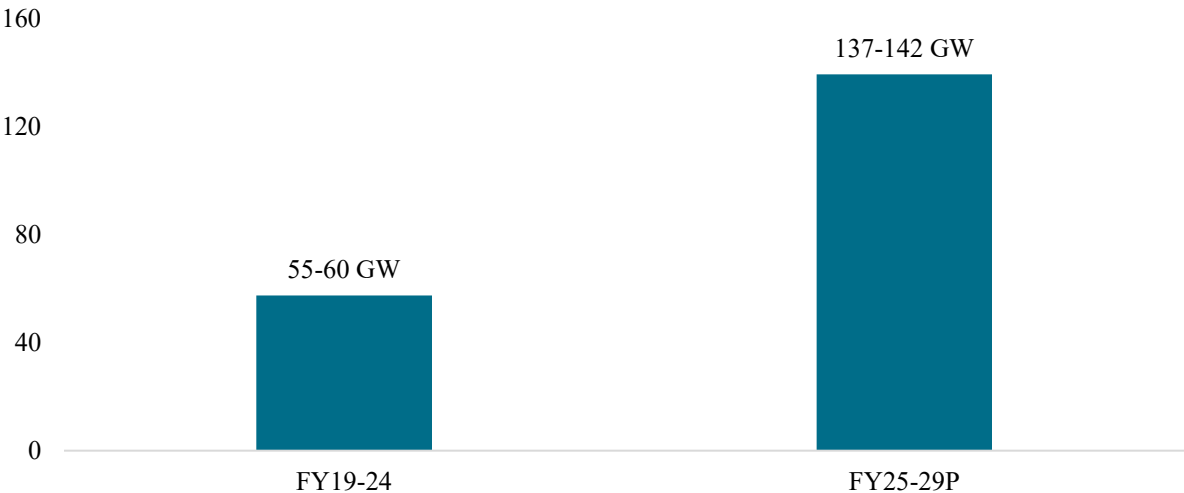
Solar capacities of 55-60 GW added over fiscals 2019 to 2024

Solar power capacities of 55-60 GW were added between fiscals 2019 and 2024. Although the government's impetus for solar power has been supportive over the past 2-3 years, the past few fiscals have seen policy incoherence with instances of PPA renegotiation/bid cancellations, additional duty investigations on solar inputs, revision of GST to

12% from 5% and a change in the customs duty classification of solar cells and modules. These factors have restricted solar capacity addition in India.

However, moving forward, Crisil Intelligence foresees a surge in solar power capacity, reaching 137-142 GW over fiscals 2025 to 2029, significantly surpassing the 55-60 GW added between fiscals 2019 and 2024. This growth would primarily be spurred by robust government backing, demonstrated through an aggressive tendering strategy. Key catalysts would include technological advancements (e.g., floating solar and module efficiency), affordable financing and supportive policies.

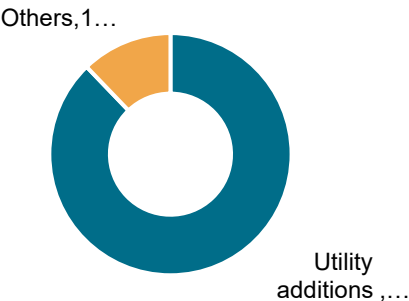
Solar capacity addition



Source: Crisil Intelligence

Utility additions estimated to account for 53% of the total capacity additions

Sources of solar capacity addition (FY24)



In fiscal 2024, utility projects are estimated to have accounted for ~53% (open access utility scale and competitive bidding utility scale) of the total capacity additions. Within utility projects, additions through competitive bidding utility scale formed the dominant share of 74%, followed by open access utility scale at 14%. Remaining 35% of the overall solar capacity additions include sources like solar rooftop, etc.

Additionally, production for green hydrogen is expected to start from fiscal 2026 with production of 0.5-1 million tonnes of production, which can lead to further upside of solar capacity. However, since developers may tie-up via grid / open access and not go to the captive route generation under this segment will remain a monitorable.

Source: Crisil Intelligence

5.2 Overview of solar rooftop installations in India

Rooftop projects are small-scale solar photovoltaic (PV) installations on roofs of buildings (detailed view of the operating models at the end of this section). Rooftop projects may or may not be connected to the grid. The government

had proposed to achieve 100 GW of solar energy by 2022, of which, 40 GW was proposed to be added under rooftop-based solar systems. This was extended to fiscal 2026.

Rooftop solar projects have attracted interest from players in the entire solar value chain, ranging from module manufacturers (Tata Power Solar, Waaree Energies, Vikram Solar, etc.) to system integrators (Rays Power, Jackson Engineers) and independent power producers (Welspun Solar, Azure Power, SunEdison, Mahindra Solar, etc.) owing to falling costs and favourable regulatory policies in key states (net metering, exemption on electricity duty, wheeling and cross-subsidy charges).

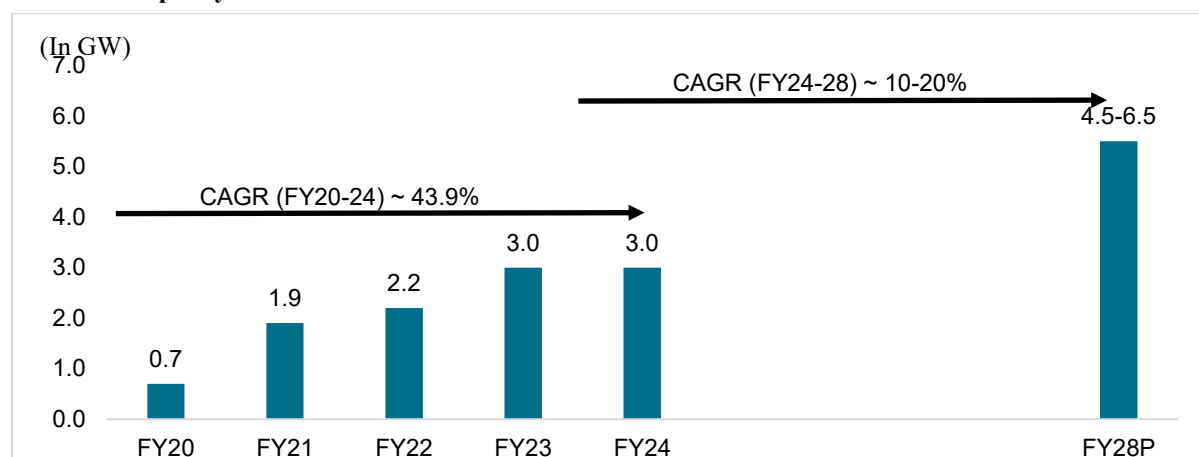
However, from a pan-India perspective, roadblocks hindering the growth of the segment include the higher cost of rooftop projects compared with utility-scale, limited availability of finance for rooftop projects, lack of uniform policies across the states, weak infrastructure of power distribution companies, divergence between state policies and the regulatory commission, and cheaper solar power available from ground-mounted projects. Additionally, although the MNRE has entrusted the Solar Energy Corporation of India (SECI) with the implementation of large-scale, grid-connected rooftop PV projects, with subsidy support from the National Clean Energy Fund (NCEF), the release of subsidy has been delayed by more than six months in some cases.

Solar rooftop additions to increase moving forward

Crisil estimates that ~12.5 GW of rooftop capacity was installed till May 2024, with ~593 MW added in two months of fiscal 2025 against 620 MW in two months of previous fiscal. Overall, cumulative solar rooftop additions between fiscals 2020 and 2024 are estimated at ~10.8 GW. The expansion of the market can be attributed to several factors, including increased consumer awareness, advancements in technology, and proactive subsidy initiatives implemented by both central and state governments. Additionally, global solar module prices have reached a historic low, standing at just USD 0.18 per watt-peak in June 2024, which is expected to stimulate growth in solar power capacity.

Moving forward, capacity addition per year is estimated to reach to 5.5-6.5 GW by fiscal 2028 on back of supportive government schemes and increasing awareness.

Solar roof capacity addition



Source: Crisil Intelligence

Commercial and industrial, both B2B segments, to drive solar capacity addition

Given lower capital costs, rooftop projects have become attractive for industrial and commercial consumers. In particular, the net-metering scheme under which power generated can be consumed captively and the balance/excess sold to the grid, is attractive for consumers paying tariffs upwards of Rs 4.5 per unit to discoms.

The cost of generating solar power from rooftop projects is estimated to be Rs 3.5-4.5 per unit (without availing accelerated depreciation). Many businesses are installing on-site solar panel systems to generate their own renewable energy. The energy generated through solar power can then be used to generate electricity, as well as in other operational functions such as heating water, etc. This will not only help companies in being energy-independent but will also help them in saving electricity costs.

Additionally, commercial and industrial consumers are best placed to claim the accelerated depreciation benefits and increase their project returns/reduce generation costs. This group includes all high-tension consumers and commercial consumers such as malls, hospitals, government establishments and high-consumption group residential complexes.

Since rooftop solar installations are profitable for C&I consumers, states with more loads under this category are expected to witness higher additions. Thus, Gujarat, Maharashtra and Tamil Nadu, which had over 50% of annual sales in this category, will drive additions.

The higher the discom tariffs, the more favourable the economics of rooftop projects. Consequently, consumers in states such as Maharashtra and Tamil Nadu, where average tariffs range between Rs 8 and 9 per unit, would drive additions.

There are newer models also, known as virtual metering and group metering, which have gained commercial acceptance. While virtual net metering enables customers to have their bills compensated for a solar project situated elsewhere in the jurisdiction of the discom, group net metering can help a consumer owning several premises within the same area adjust their power bill for all the premises combined against the solar power generated at a single premise he owns.

B2B use cases of solar energy

B2B use case	Description
Reduced electricity dependency on external sources	Businesses can generate electricity through solar energy which can help them in reducing their dependence on external electricity sources. Additionally, it will also help them in reducing the electricity costs, while ensuring sustainability.
Efficiently running the business operations	Solar energy can also help the companies in running their operations sustainability. For example, businesses are utilising solar energy for heating water and reduce their reliance on boilers. Additionally, growing use of energy intensive technologies like Artificial Intelligence (AI), etc is leading to increased energy requirements by data centres. Due to this, technology companies are using renewable power sources to run their operations in a more sustainable manner
Providing accessibility to remote location	Renewable energy, including solar energy can provide accessibility to power/ energy in remote areas, where setting up of conventional energy infrastructure like electric grid is not feasible. Hence, integrating renewable energy can help in maintaining reliable electricity supply in the remote areas
Powering machines	Solar energy can power small scale rural businesses through solar powered machines like photocopy machines, refrigerators, blacksmith blower machine

Source: Crisil Intelligence

Key entry barriers

Parameter	Description
Capital intensive sector	Setting up a solar plant requires high capital for procurement of solar modules, inverters and other critical components. Securing financing is also difficult as the lenders prefer players with established record on account of the long payback period.
Technology and expertise	Designing the solar plant requires know how of the latest and advance solar technologies and specialised skill for integration of the plant with grid systems and energy storage solutions. These aspects maybe lacking in new entrants

Economies of scale and skilled workforce	Economies of scale enables the established players to procure and construct without cost overruns. This allows the established players to quote lower costs for the project. Established players have skilled professionals for design, management and construction. They also have lower attrition
Supply chain and Vendor relationships	The sector has an import dependency for critical components of the solar plants. Established players are adept in managing the challenges of supply chain such as currency fluctuations, import duties, logistics etc. They have a long standing relationships with vendors ensuring competitive pricing and timely delivery.

Source: Crisil Intelligence

5.3 Key reforms and regulatory actions in the Indian telecom industry

5.3.1.1 Jawaharlal Nehru National Solar Mission (JNNSM)- JNSM Phase I

JNNSM was launched as part of India's National Action Plan on Climate Change (NAPCC) in 2010. This mission aims at establishing solar power in India. The mission was launched with a target of 20 GW grid connected solar power generation capacity by 2022. However, in June 2015, this target was increased to 100 GW. The 100 GW solar power capacity has been divided into rooftop solar electricity generation (40 GW) and large and medium-scale grid-connected solar projects (60 GW). Some other goals of the mission include:

- 20 million sq m of solar thermal collector area
- Creation of favourable conditions for developing solar manufacturing capability in the country
- Supporting R&D and capacity building activities to achieve grid parity by 2022

Under the first phase of the JNNSM, 450 MW was tendered out in two batches — 150 MW (Batch I) and 300 MW (Batch II) — in addition to which, 470 MW was offered under the solar thermal technology. Most of these projects are currently operational.

5.3.1.2 JNNSM Phase II

A key feature under Phase II was the viability gap funding (VGF) - capital subsidy, which was introduced to reduce the cost of renewable energy to make it more attractive for power purchase to state distribution utilities. MNRE also established SECI as the executing agency under Phase II.

Batch I

Under Phase II Batch-I, the MNRE issued revised guidelines for setting up 750 MW of grid connected solar PV projects based on VGF. Under this scheme, in October 2013, the government floated a tender for 750 MW grid-connected solar projects, for which, Power Purchase Agreements (PPAs) were signed in March 2014. The commissioning schedule of these projects was 13 months from the signing of the PPAs (i.e. by April 2015), which got extended for two months. The tender was divided into two parts: Domestic content requirement (DCR) and open category. The DCR category (375 MW) mandated procurement of indigenously manufactured cells and modules for crystalline and thin film technology whereas no restriction was placed under the open category (375 MW). Some aspects of the policy included:

- SECI signed a PPA for a period of 25 years with the project developers. A fixed tariff of Rs 5.45 per unit was to be paid to the developer for a period of 25 years if accelerated depreciation was not availed and Rs 4.75 per unit in case accelerated depreciation was availed.
- The commissioning timeline was 13 months from the date of signing of the PPA, which was the same as under JNNSM Phase I. In case of delay, the performance bank guarantee of Rs 2 million per MW along with earnest money deposit of Rs 1 million per MW (converted into performance guarantee once the PPA is signed) was to be encashed by SECI as penalty depending on the extent of delay.
- Selection of projects for allotment started from the lowest bidder (L1) and went up to the level where 750 MW was fully allocated or the L1 bid plus 10% was reached.

- VGF was provided to the developer up to a maximum of 30% of the project cost or Rs 25 million per MW, whichever was lower.

Batch II

Under Batch II of Phase II, 15,000 MW of grid-connected solar PV plants were to be implemented in three tranches by NTPC Ltd/NVVN as follows:

- Tranche I – 3,000 MW (2014-15 to 2016-17)
- Tranche II – 5,000 MW (2015-16 to 2017-18)
- Tranche III – 7,000 MW (2016-17 to 2018-19)

All tranches included bundling for solar power with unallocated thermal power made available by the Ministry of Power. The PPAs would be signed by NVVN/NTPC, which, in turn, would sell the bundled power to state utilities. Some aspects of the policy included:

- The bidding would be state-specific and conducted through e-bidding. The projects would be awarded with PPAs signed at fixed levelised tariffs for 25 years with winners.
- The tariff bid could not be higher than the applicable tariff on the day the bids were received as fixed by the State Electricity Regulatory Commission (SERC) for the state where the projects are to be set up or the Central Electricity Regulatory Commission (CERC), whichever was applicable.
- Under the solar park scheme, the host state would provide land for setting up the projects, ensure project connectivity and purchase a major proportion of the bundled power.
- The developer would have the option of scaling up the capacity of the plant; however, any excess generation beyond the capacity utilization factor (CUF) range as laid down in the PPA, would be purchased at a notional support price of Rs 3 per unit.

In order to ensure payment security for the projects awarded under Tranche I, NTPC created a payment security/working capital fund with an estimated corpus of Rs 28 billion. The fund would be sufficient to cover three months' payments for the bundled capacity of 4.5 GW (3GW solar + 1.5 GW thermal power) awarded under this scheme.

However, the total capacity under Batch II has been curtailed to only Tranche I owing to significant decline in solar tariffs to below the Rs 3 per unit mark. This meant bundling of power was not required. Accordingly, subsequent allocations were curtailed.

Batch III and IV

NSM Phase II, Batch III included setting up of 2,000 MW of solar power projects with VGF support. Under this scheme, a tariff of Rs 4.43 per kWh or the discounted tariff as provided through the bidding process, would be considered for a tenure of 25 years by entering into a PPA with SECI. Power from these projects would, in turn, be sold to various bulk consumers/ state utilities by SECI at Rs 4.50 per kWh/discounted tariff plus margin (including trading margin of 7 paise per unit).

Batch IV involved setting up of 5,000 MW solar PV projects. The maximum tariff payable to solar project developers was fixed at Rs 3.93/ kWh with a provision for VGF support. SECI would enter into a PPA for 25 years with the successful bidders for the allocated capacity under this scheme. The main features common across both the policies were:

The bid tariffs reduced substantially under this batch of NSM on account of multiple factors as listed below:

- Availability of infrastructure (land + transmission) under the solar park mechanism
- Lower payment delay/default risk associated with central trading agencies. DISCOMs were under a huge financial burden and would delay payments for RE consumers, but payments under the NVVN and SECI schemes were on time.
- Availability of strong payment security mechanism in the form of letter of credits and payment security fund, etc.

5.3.1.3 Ultra-Mega Solar Parks

In December 2014, the MNRE introduced a scheme to establish a minimum of 25 solar parks and Ultra Mega Solar power projects, adding over 20 GW of installed solar power capacity, which was later increased to 40 GW to develop a minimum of 50 solar parks of 500 MW and above capacity each by the financial year 2019-20. Later, in July 2018, the MNRE extended the timeline to develop solar parks and ultra-mega solar projects totalling 40 GW from 2019-20 to 2021-22.

The central government provides financial support for the construction of these solar parks. According to the MNRE, such projects can be set up by any Central Public Sector Undertaking (CPSU), state PSU, other state government organisations, or their subsidiaries or a joint venture between two or more entities. The developer is required to complete the project within two years, otherwise the state government is liable to take back the allotted land. The MNRE also added that Ultra Mega Renewable Energy Power Parks (UMREPPs) are not profit-making activities, and hence a maximum of 16% return on equity would be allowed.

5.3.1.4 Off-grid applications

In case of off-grid applications of solar power, 30 per cent capital subsidy and/or 5 per cent annual interest-bearing loans have been approved for general category states. Capital subsidy of up to 90 per cent of the benchmark project cost is available for the special category states of Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttarakhand.

5.3.1.5 State solar policies and incentives provided by state governments

Till 2011-12, only Gujarat and Rajasthan had a state solar policy. Post the success of Gujarat state solar policy, various states such as Andhra Pradesh, Tamil Nadu, Karnataka, Madhya Pradesh and Telangana have also announced solar policies and have invited bids to set up solar projects in the past few years.

State wise details of key states

State	Policy
Gujarat state solar policy	The state government has also launched a Rs 140 billion 'Gujarat Aatma Nirbhar' package to support solar power projects. Some of the salient features of the policy are as follows: • Installation capacity targets will be based on RPOs defined by GERC from time to time. The minimum size of a megawatt scale project will be 1 MW, and that of a kW scale project will be 1kW • PPA will remain operational for a period of 25 years • State will facilitate solar rooftop PV systems with net metering on government, residential, industrial, and commercial buildings. State in collaboration with the central government, MNRE, and MoP will undertake measures to provide solar powered pump sets through subsidy support • Developer will be responsible for obtaining the land for the project • Electricity duty on solar consumption will be subject to provisions of the Gujarat Electricity Act, 1958 as amended from time to time

State	Policy
Haryana state solar policy	The state had announced its solar policy in March 2016 and the draft of a new policy was released in April 2021. Some of the important policy highlights are as follows: • DISCOMs may procure power from distributed solar projects up to 2 MW capacity at pre-fixed levelised tariff as determined by HERC, subject to the spare capacity available at the nearest substation. According to the RPO, 20% of the targeted solar power purchased by DISCOMs will be reserved for such small generators below 2 MW capacity • The state government may facilitate the lease or sub-lease of panchayat land at reasonable rates through any government agency or directly through the panchayat for setting up solar projects for a minimum period of 30 years • 10% exemption on total applicable tax will be provided for the industry and commerce department, Haryana for setting up manufacturing units of devices and equipment related to solar power • Ground-mounted solar project installation with storage will be promoted and given preference in granting approvals. The preference will also be given in the tariff if purchased by the Haryana Power Purchase Centre (HPPC) • PPA will remain operational for a period of 25 years
Karnataka state solar policy	The state solar policy came into effect from June 1, 2011, and was revised in September 2013. The state's current solar policy will remain in effect from 2014 till 2021. Under the policy, the state aims to add solar generation of 2,000 MW by 2021. The policy was most recently amended in October 2019. Some of the important policy highlights are as follows: • Solar projects will be allowed a commissioning period of 12 months from the date of signing PPA and private solar parks will be allowed 18 months for completion whereas solar thermal projects would be allowed a longer period of 24 months • Minimum capacity of solar PV power project will be 3 MW in terms of solar PV and the maximum capacity will be 10 MW. The minimum capacity will be 5 MW in terms of solar thermal project • For the promotion of integrated solar parks, the maximum capacity has been increased to 100 MW at a single location against earlier guidelines, which stated the minimum capacity for the private solar park as 25 MW. However, this is subject to an overall limit of 200 MW/ taluk and will not include projects implemented on solar rooftops • A net worth of 30% of the capital cost (to be determined by the Karnataka Electricity Regulation Commission (KERC) from time to time) has been mandated for captive and group captive projects. This was not mandatory before to the amendment

State	Policy
Maharashtra renewable energy policy (Incentives for solar projects)	The government of Maharashtra has finalised its renewable energy policy in 2015, in which it has targeted to install 7500 MW of solar projects across Maharashtra by FY 2022. Further, the state believes that ~2500 MW of solar projects would be utilised by Maharashtra for meeting its RPO compliance and projects would come up under the public private partnership with Mahagenco. Of the 2500 MW of PPP projects, ~10% of 250 MW capacity would be set up on the canals, lakes and other irrigation projects. The remaining 5000 MW of solar projects could be utilised by developers for setting up capacities. Some of the salient features of the policy are: • Deemed non-agricultural (NA) status for solar projects to be set up under the policy • Concessions to be provided under the Maharashtra land acquisition act. Fifty percent discount to be provided for land/lease rentals of land having capacity up to 2 MW • Fifty percent concession on the land charges/lease rentals for government land required for setting up solar module manufacturing line • Concessional charges for acquiring the no objections certificate (NoC) from pollution control board • Open access/captive/third party sale/REC based projects are allowed. Open access allowed for interstate and intrastate transmission of power under the ambit of MERC regulations
Tamil Nadu state solar policy	The state solar policy came into operation on 4 February 2019 and will remain valid until superseded or modified by another policy. It has set a target of 9000 MW by 2023 and 40% of this target will be earmarked for consumer category solar energy system. Some of the salient features of the state's solar policy are: • Consumer category solar energy will be exempted from electricity tax for two years • State will facilitate and support research in the solar energy sector and also collaborate with multi-lateral agencies • An inter-departmental monitoring and coordination committee will be constituted • Awareness creation, education and capacity building in the state

State	Policy
Rajasthan state solar policy	The policy will be effective from 18 December 2019. It has set up a target of 30 GW of solar energy projects by 2024-25. Some of the important policy highlights are as follows: • PPA will remain operational for a period of 25 years • Minimum capacity of 5 MW for both solar thermal and solar PV projects. Maximum capacity of 10 MW will be allowed for solar PV projects and 50 MW for solar thermal projects • Power evacuation transmission infrastructure will be made through the transmission and distribution network being maintained by RVPN and DISCOMs, respectively. • Captive users will be exempted from payment of the electricity duty • Policy initiatives related to manufacturing solar energy equipment in Rajasthan: – MSME policy benefits to be given to manufacturers – Land allotment in industrial area at a 50% concessional rate – Full exemption from electricity for 10 years – Investment subsidy on SGST to equipment manufacturers, wherein 90% of SGST be due and deposited for 10 years – 100% exemption from stamp duty • Policy also aims to develop 33 district quarters as ‘Green Energy Cities’ over the next five years by installing 300 MW solar rooftop systems
Karnataka state solar policy	The state solar policy came into effect on 1 June 2011 and was revised in September 2013. The state’s current solar policy will remain in effect from 2014 till 2021. Under the policy, the state aims to add solar generation of 2,000 MW by 2021. The policy was most recently amended in October 2019. Some of the important policy highlights are as follows: • Solar projects will be allowed a commissioning period of 12 months from the date of signing the PPA and private solar parks will be allowed 18 months for completion while solar thermal projects would be allowed a longer period of 24 months • Minimum capacity of a solar PV power project will be 3 MW in respect of solar PV and the maximum capacity will be 10 MW. Minimum capacity will be 5 MW in respect of solar thermal project • For promotion of integrated solar parks, the maximum capacity has been increased to 100 MW at a single location against earlier guidelines, which stated the minimum capacity for the private solar park as 25 MW. However, this is subjected to an overall limit of 200 MW/ taluk and will not include projects implemented on solar rooftops • A net worth of 30% of the capital cost (to be determined by the KERC from time to time) has been mandated for captive and group captive projects. This was not mandatory prior to the amendment

Source: Crisil Intelligence

5.3.1.6 The REC option - an alternative for renewable energy generator

The Centre has laid down solar-specific renewable purchase obligations (RPOs) within the overall RPO target to push demand for the relatively expensive solar power. It has specified that 10.25 per cent of the overall power consumption must be met by solar power by 2022. However, enforcement of RPOs is a critical factor for the sector's development.

To facilitate the purchase of solar power by states, which have little or no solar power potential, solar renewable energy certificates (RECs) have been introduced. Hence, a solar power generator has the option to choose between two business models:

- Sign PPAs with state utilities and SECI/NTPC under state solar auctions or central solar auctions, respectively
- Sell the power at average pooled power cost (APPC) to the state utility or, to the third parties at mutually agreed price or on a merchant basis. The environmental attribute is sold separately as an REC

In an order dated June 17, 2020, Central Electricity Regulatory Commission (CERC) removed the floor price of RECs and reduced the forbearance (maximum) price from Rs 2,400 to Rs 1,000 for solar RECs. This decision was led by maturing of REC market in India that reduced the need for having a floor price.

5.3.1.7 SECI ISTS connected tranches

The Solar Energy Corporation of India (SECI) has launched separate Inter-State Transmission System (ISTS) connectivity scheme with several tranches of allocation. Under the same, nine tranches have been released so far, allocating ~10.84 GW of projects. The latest ISTS project auctioned was 2000 MW ISTS Tranche IX in June 2020, which attracted a record low bid tariff of Rs 2.36 per unit.

The projects to be selected under this scheme can be installed anywhere in India, but must be connected directly to the central PGCIL ISTS system. The minimum voltage for interconnection at the ISTS will be 132 kV.

5.4 Key growth drivers and trends

Growth drivers	Description
 Increased awareness	consumer Growing awareness among the consumers about the benefits of solar energy, including environmental sustainability along with favourable government initiatives by the government, has led to an increase in adoption of solar solutions at the residential level. In January 2024, a boost was provided to the residential rooftop segment with the launch of PM Surya Ghar Yojana that aims to solarise 10 million households.
 Technological advancements	Advances in solar technology has proven itself as a catalyst for the industry. Technological improvements such as improved solar efficiency of solar panels and energy storage solutions have made power generation through solar energy more viable and attractive. Technological improvements in renewable energy projects along with battery storage can provide a firm power supply for a longer duration in both on-grid and off-grid applications, helping utilities and consumers meet energy requirements efficiently and in an environment-friendly manner.
 Availability of multiple funding options	The entry of large global players and financially strong Indian conglomerates has intensified competition in the sector. In this scenario, innovative finance avenues such as green bonds, masala bonds (rupee-denominated green bonds), pension funds as investors, and Infrastructure Investment Trusts (INVITs) are available to mitigate this risk. These alternative financing options provide opportunities to secure funding for solar projects at favourable terms.

Growth drivers	Description
 Supportive policies	The government is encouraging cash-rich PSUs to set up renewable energy projects. NTPC has already commissioned a total of over ~2,120 MW of capacities, allocated ~5 GW, and tendered a further ~1 GW, under various schemes. It has a target to install ~35 GW of renewable energy capacities by fiscal 2028. Similarly, NHPC had allocated 2 GW of projects in 2020, while the Indian Railways has committed to 20 GW of solar power by 2030. In addition, state initiatives such as the Telangana State Renewable Energy Development Corporation Ltd (TSREDCO) aims to install solar panels on 500 school buildings, promoting decentralised electricity generation and mitigating power shedding issues in the state, are contributing to the sector's growth in various regions of India.

Source: Crisil Intelligence

5.5 Key challenges and risks

Volatility in module prices	Counterparty risk	Technology and input risk	Supply-demand mismatch	Infrastructure risk	Capital-intensive nature	Changing regulations
						

Source: Crisil Intelligence

5.5.1.1 Volatility in module prices

Accounting for 50-60% of capital cost, the price of solar modules is a crucial factor and can significantly impact project returns. Since India relies heavily on imported modules from China, the United States and southeast Asia, any volatility in global prices can impact Indian developers significantly. In some cases, module prices have started increasing even as developers anticipated a dip in prices while placing tariff bids. Moreover, solar modules and inverters are imported in US dollars, increasing the risk of exchange rate fluctuations.

The GST rate for specified renewable energy devices and parts for their manufacture has also been increased from 5% to 12% starting September 30, 2021.

5.5.1.2 Counterparty risk

In the ever-evolving landscape of India's power sector, counterparty risk remains a critical concern for project developers, particularly in renewable energy (RE). The weak financial position of state discoms has led to payment delays and defaults, causing apprehension among developers. While efforts such as UDAY (Ujjwal Discom Assurance Yojana) initially provided relief to discoms, lack of operational improvements has reversed the progress, again burdening them with debt.

Strengthening PPAs to mitigate counterparty risk is crucial. This can be undertaken by including provisions for off-takers to provide letters of credit (LC) and factoring in interest on delayed payments by the buying entity. While the central government introduced a mandatory provision of LCs by state utilities prior to purchasing power from generators in August 2019, the impact was limited due to implementation challenges on the ground. Developers can also mitigate risk by diversifying their portfolios through multiple PPAs with different discoms, considering various parameters.

5.5.1.3 Technology and input risk

Generation in any solar project relies on various factors, including solar irradiance, the quality of solar modules, the design of the plant, and construction quality. However, module degradation is an important factor affecting

performance. Power generation capacity declines irreversibly in all solar panels due to degradation. However, in cases where the modules are of poor quality or the installation and design are inadequate, the degradation and decline in generation can be higher.

Use of poor-quality solar modules, which do not comply with standards such as IEC 61215, 61730, ANSI/UL 1703 and CAN/CSA 61730, poses a significant threat to generation due to higher failure rates. Poor generation performance negatively impacts the equity internal rate of return (IRR) of solar projects.

However, there are instances where companies supplying cheaper and sub-standard modules are financially weak, leading to bankruptcies of large players in the past. In such cases, all warranties and guarantees become null and void. To mitigate the impact of both module underperformance and supplier bankruptcy, developers can purchase corresponding insurance. However, this would increase the operating costs for the project.

5.5.1.4 Offtake risk and supply-demand mismatch

Solar power generation relies entirely on the solar irradiance that reaches the Earth's surface. Solar energy generation is inherently variable and depends on weather conditions such as clouds, dust storms, fog and more. As a result, the availability of solar power on the grid can fluctuate. When combined with variable consumer demand, it can lead to a demand-supply mismatch, potentially causing blackouts. To manage this, discoms and state load dispatch centres are authorised to issue instructions to developers to curtail generation as needed. In the past, grid constraints in Rajasthan and Tamil Nadu resulted in significant back-down of grid power in 2016-17.

However, at times, discoms may use this provision excessively to curtail renewable energy generation when they choose not to procure power, causing losses for developers. Such incidents of back-down occur more frequently in certain states, raising concerns about the reliability of offtake agreements. To address this issue, developers have the option to seek relief by petitioning the respective state electricity regulatory authority.

Solar tariffs have historically been higher than the APPC of discoms. This creates offtake risk for older solar projects, particularly considering the sluggish growth in power demand and the weak financial health of discoms.

To mitigate offtake risks, it is crucial to strictly enforce the concepts of 'deemed generation' and 'must-run' benefits. Under these provisions, developers are appropriately compensated for power not supplied due to grid unavailability, and there are prohibitions on backing down solar power due to higher tariffs.

5.5.1.5 Infrastructure risk

The risk associated with infrastructure arises from the inadequate availability of land and transmission infrastructure for solar projects. Land acquisition poses challenges due to the small average land holdings in India. Hence, acquiring large tracts of land in a single location requires the involvement of multiple stakeholders, resulting in slower project execution.

Delays in constructing evacuation systems for solar projects also contribute to infrastructure risk. Right-of-way issues (RoW) may arise when constructing transmission lines to the nearest evacuation substation. Additionally, obtaining permissions and approvals from discoms, transmission companies, load dispatch centres and chief electrical inspectors for constructing evacuation systems can further delay projects.

Both land and transmission risks can be mitigated by setting up projects in solar parks, which offer land with clear titles and pre-existing transmission infrastructure for solar projects. Solar parks also provide additional facilities such as roads, water, drainage and electricity during construction, reducing the burden on project management and accelerating project completion.

5.5.1.6 Capital-intensive nature

Given the capital-intensive nature of solar power projects, the availability of funding at competitive rates is crucial. Funding risk can arise due to weak investor sentiment, a rising interest rate regime, currency depreciation or any policy changes that impact fundraising.

In the past, high domestic interest rates, lower re-payment tenure and inadequate and delayed capital subsidy have increased the minimum tariffs required to achieve healthy IRRs.

5.5.1.7 Changing regulations

Frequent policy changes and lack of clarity would also lead to hesitance among global investors to enter / fund the sector. This is highly detrimental to the sector's growth, which requires significant equity over the coming years to continue supporting additions. For example, the ALMM order, which applies to bids submitted after April 10, 2021, mandates the use of domestic modules for government/government-assisted projects/projects under government schemes and programmes. Government agencies, including the central and state governments, CPSUs, PSUs and central and state organisations, pose a challenge to developers when it comes to procuring modules. However, ALMM is in abeyance until March 2024.

Additionally, the Supreme Court's order to lay transmission lines underground in the habitat areas of the great Indian bustard presents a significant challenge for developers. This requirement entails additional expenses for converting overhead lines, which could impact under-construction renewable projects in Rajasthan and Gujarat. The developers have requested the Supreme Court to reconsider the order and restrict the coverage to the bustard's priority habitat areas. The Supreme Court ultimately ordered the developers to install bird diverters by the July-end 2022.

6. Overview of rural electrification market in India

6.1 Overview of market

Focusing on rural electrification, the Government of India incorporated REC Limited (Rural Electrification Corporation of India) as a company under the Companies Act in 1969. Its main objective was financing rural electrification schemes in the country. The mandate/object clause of REC was expanded from time to time. In 2022, it was expanded to tap emerging business opportunities in the logistics and infrastructure sector.

Additionally, government schemes such as Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) have been launched to achieve electrification of rural households. Both have played a role in achieving the same.

Further, the government issued a 'New Solar Power Scheme for Particularly Vulnerable Tribal Groups (PVTG) Habitation/ Villages' under PM JANMAN (Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan). This scheme will cover electrification of all un-electrified PVTG households by providing off-grid solar systems where electricity supply through grid is not techno-economically feasible. In addition, the scheme aims to provide solar lighting in 1500 multi-purpose centres (MPCs) in PVTG areas where electricity through the grid is not available. Rs 5.15 billion has been provided under the scheme, which provides for electrification of households through standalone solar home lighting systems where households are scattered and through solar mini grid for a cluster of Households.

Key government schemes related to electrification

6.1.1.1 Integrated Power Development Scheme (IPDS)

The government launched the Integrated Power Development Scheme (IPDS) in December 2014. Under this, a range of works were executed, such as distribution infrastructure projects to strengthen sub-transmission and distribution networks in urban areas, metering of distribution transformers / feeders / consumers in urban areas, IT enablement works, enterprise resource planning; smart metering; gas insulated sub-stations; and real-time data acquisition systems (RT-DAS).

Central funding is being provided to reduce aggregate technical and commercial (AT&C) losses. Funds have also been sanctioned under IPDS for underground (UG) cabling and aerial bunched (AB) cables and metering, which help reduce AT&C losses.

System strengthening and distribution (ST&D) projects covering 547 circles in 33 states/UTs have been taken up under the scheme. Out of these, distribution system strengthening works in 546 circles have been successfully completed.

The government also recently launched the reforms-based and results-linked Revamped Distribution Sector Scheme (RDSS) for distribution utilities and a scheme for additional borrowings. Both have linked financial incentives to

reform in the areas of AT&C loss reduction and reliability of power supply. Hence, funds are released only when reforms are undertaken.

6.1.1.2 Deen Dayal Upadhyaya Gram Jyoti Yojana- DDUGJY

The government launched the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) in December 2014 for strengthening the electricity distribution system through-

- I. To separate agriculture and non-agriculture feeders to facilitate Discoms in the judicious rostering of supply to agricultural & non- agricultural consumers
- II. Strengthening and Augmentation of Sub Transmission & Distribution infrastructure in rural areas and
- III. Metering at Distribution Transformers, Feeders and consumers end in rural areas

The components I and II of the scheme has an estimated budgeted outlay of ~Rs 430 billion and component III of the scheme has as estimated outlay of ~393 billion. The work under DDUGJY included setting up new substations, separation of agriculture and non-agriculture feeders, augmentation of old substations adding 850000 ckt of HT&LT lines, adding transformers, and electrification of villages across the country. For villages where grid connectivity was neither feasible nor cost-effective, the electrification was done through off-grid modes. The erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) was subsumed under DDUGJY.

Under DDUGJY, and thereafter under Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya), all states declared electrification of all villages on April 28, 2018 and all willing households on March 31, 2019 respectively. While a total of 18,374 villages were electrified under DDUGJY, 28.6 million households were electrified under the aegis of Saubhagya, including additional households in two tranches that became willing after March 31, 2019 but were unwilling for electrification earlier.

6.1.1.3 Sahaj Bijli Har Ghar Yojana – Saubhagya

Sahaj Bijli Har Ghar Yojana – Saubhagya, was launched in October 2017, focusing on last-mile connectivity and providing electricity connections to all the unelectrified households in the country. The scheme is one of the world's biggest universal electrification initiative, to be implemented with the collaborative efforts of the Centre and states. It is a concurrent programme to DDUGJY. The scheme outlay is Rs 163.20 billion, including gross budgetary support of Rs 123.20 billion. REC is the nodal agency to operationalise the scheme. The scheme aimed at providing:

- Last-mile connectivity and electricity connections to all unelectrified households in rural areas
- Last-mile connectivity and electricity connections to all remaining poor unelectrified households in urban areas. Non-poor urban households are excluded from this scheme
- Solar photovoltaic-based standalone system for unelectrified households located in remote and inaccessible villages/habitations, where grid extension is not feasible or cost-effective

Since the launch, as on March 31, 2021, all states have reported 100% electrification of all the willing unelectrified households, identified before March 31, 2019. The states reported 28.2 million households had been electrified. Further, 4.43 lakh additional households have been electrified under DDUGJY.

As such, as on March 31, 2022, 28.6 million households (including tribal households) have been electrified since the launch of Saubhagya. The scheme stands closed.

6.1.1.4 Revamped Distribution Sector Scheme- RDSS

The government launched the RDSS to improve the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. The scheme has an outlay of Rs. 3.04 trillion, having gross budgetary support of Rs 976.31 million from the central government from fiscal 2022 to fiscal 2026. The RDSS has universal coverage and is mainly focused on strengthening of sub-transmission and distribution network of project areas for the benefit of consumers.

Under the RDSS, the central government is further supporting states in electrifying households missed out under Saubhagya. In addition, all identified PVTG households under PM-JANMAN for on-grid electricity connections will be eligible for funding under the RDSS.

As of February 2024, proposals for 4.96 lakh household electrification works have been sanctioned under the RDSS for Uttar Pradesh, Rajasthan and Andhra Pradesh at a cost of Rs 8.13 billion. Further, under PM-JANMAN, on-grid electrification of 87,863 households in 7,113 habitations has been sanctioned as of February 2024.

Summary of a few power schemes focused on rural electrification

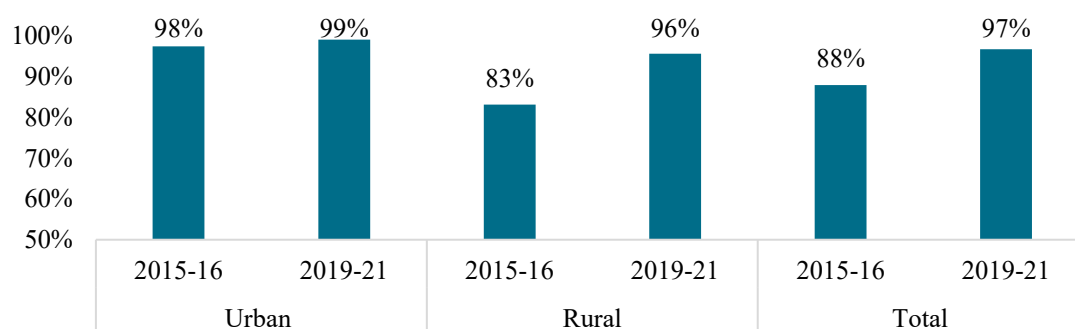
Scheme	Start year	Gross Budgetary Support	Description
Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY)	Dec, 2014	Rs 823 billion	Government of India launched DDUGJY for strengthening the distribution systems including separation of agriculture and non-agriculture feeders, strengthening and augmentation of sub-transmission & distribution infrastructure, metering of distribution transformers/ feeders/ consumers and electrification of villages across the country. Erstwhile Rural Electrification scheme of Govt. of India has been subsumed in DDUGJY as a separate rural electrification (RE) component.
Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya)	Oct, 2017	Rs 163 billion	Saubhagya was launched by Government of India in October, 2017 with the objective to achieve universal household electrification throughout the country. Under this scheme, electricity connection was provided to all willing un-electrified households in rural areas and all willing poor un-electrified households in urban areas. The electrification was carried out by State DISCOMs / Power Departments with funds provided by the Central Government under the Scheme.
Revamped Distribution Sector Scheme (RDSS)	Jul, 2021	Rs. 3.04 trillion over fiscals 2021-22 to fiscals 2025-26.	RDSS was launched to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to DISCOMs to strengthen supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The main objectives of RDSS are: • Reduction of AT&C losses to pan-India levels of 12-15% by FY 2024-25. • Reduction of ACS-ARR gap to zero by FY 2024-25. • Improvement in the quality, reliability, and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

Source: Ministry of Power, PIB, Crisil Intelligence

Every village and household has been electrified in India

As per latest National Family Health Survey Data (NFHS-5), 99% of the urban population lived in electrified households during 2019-21 compared with 98% in 2015-16. There was a notable increase in the rural population living in households with electricity, from ~88% in 2015-16 to 96% during 2019-21. The combined increase in the rural and urban electrification has resulted in an overall national electrification rate of ~97% between 2019-21 compared with 88% in 2015-16.

Population living in households with electricity (%)



Source: National Family Health Survey (NFHS), PIB, Crisil Intelligence

As of January 2024, every village and household has been electrified. The availability of power in rural areas has increased from 12 hours in 2015 to 20.6 hours and in the urban areas it has increased up to 23.8 hours. Additionally, as of 2023-24, peak demand has increased by 12.7% to 2,43,271 MW from 2,15,888 MW during same period previous year and all India peak shortage has reduced to 1.4% (3,340 MW) with respect to 4.0% (8,657 MW) during the same period previous year.

This improvement in the average availability of power in rural areas as well as reduction in the peak shortage underscores growth in transmission infrastructure and efficient service delivery mechanisms through multiple government schemes including DDUGJY, Saubhagya and RDSS.

Key growth drivers and trends

Growth driver	Description
Increasing government focus on rural electrification	Government programmes such as DDUGJY and Saubhagya have played a crucial role in increasing the rural electrification to ~96% in 2019-21 from 83% 2015-16. Additionally, the government also launched the RDSS, which will help in electrification of remaining households as well as improving the quality and reliability of power supply
Expansion of renewable energy sources	The growth in the renewable energy sources along with technological advancements in energy storage solutions has made renewable energy more feasible. By fiscal 2029, RE capacity is expected to account for 50-55% of the installed capacity of 700-710 GW due to strong renewable energy addition
Focus on sustainable development goals	India's commitment to achieving the United Nations Sustainable Development Goals, particularly SDG 7 which is to do with affordable and clean energy, is providing impetus for accelerating rural electrification efforts

Source: Crisil Intelligence

Key entry barriers

The rural electrification sector demands a strategic approach where the players need to blend strong technical expertise, financial strength and operational adaptability.

Parameter	Description
High capital requirement	The sector demand huge capital expenditures into equipment and technology for setting up transmission lines, transformer and other power infrastructure. Rural electrification projects likely involve a long gestation period and possibly delays in payment settlement due to financial constraints faced by the DISCOMs, leading to increase in working capital requirements.

Dependence on government projects	The sector is driven by demand generated by the government schemes and policies. Electrification projects are allotted through a competitive tendering process where the bidder has to portray technical and financial capabilities as per the project's requirement. This leads to majority of projects being won by established players. This causes high entry barriers for new entrant as they need to compete on cost efficiency, execution capabilities and past credentials.
Technical and operational challenges	Rural electrification projects involve difficult terrain and remote geographies. This causes challenges in terms of logistics, project execution, and challenges in mobility of skilled workers. All these factors add to the project cost and demands experienced EPC players for efficient execution. These projects also involve management of socio-political challenges. The project may face resistance from the local community. The management of these factors is also crucial.
Supply chain and Vendor management	Large scale electrification projects involve complex supply chains and vendor management. Oversights and lack of reliability can lead to project delays and cost overruns. This is one of the factors where established players have an edge over the new entrants since they have a long running relation with their vendor ecosystem.

Source: Crisil Intelligence

Overview of the key challenges and the risk factors in the sector

6.1.1.5 Fuel availability

Fuel accounts for a large proportion (75-80%) of the operating cost of thermal power plants (~80% of conventional power installed base). Historically, over 2011-14, domestic coal availability has been a major issue since non-coking coal production grew merely 1.7% owing to stringent environmental regulations. This, in turn, adversely impacted the returns of players.

However, over the past 18-24 months, coal production has increased, with faster clearances and land acquisition. Additionally, the government push has encouraged Coal India Ltd to boost thermal coal production, coupled with a rise in captive coal production by thermal power generators. This led to higher dispatches to the power sector, at 21.5% on-year growth in fiscal 2022 and 8.5% on-year growth in fiscal 2023.

6.1.1.6 Timely project execution

Power projects are highly capital-intensive and have a long gestation period. Therefore, completion of projects in a timebound manner is critical for developers to avoid huge time and cost overruns. In the past, thermal power projects have witnessed significant cost overruns on account of delays in receipt of clearances, land acquisition and financial closure. In fact, in certain projects, cost overruns have been as high as 67%, resulting in project cost escalating to Rs 75 million per MW as compared with the initially envisaged Rs 45 million per MW.

Hydropower projects have also been crippled due to execution challenges such as securing necessary approvals (environmental and forest clearances), land acquisition and relocation of people habitant in the area, inadequate infrastructure for power evacuation and logistical issues. Moreover, any delay in the commissioning date of projects further raises its cost. This escalates the power tariff, thereby increasing power purchase cost for discoms, which are reluctant to buy costly power from such projects.

6.1.1.7 Changes in emission norms

Coal-based plants need to adhere to the emission norms as prescribed by the Ministry of Environment, Forest & Climate Change. There is additional capital expenditure associated with the equipment to be installed for keeping emissions below prescribed levels. Thus, any revisions in such norms have a cost impact on the generators.

In December 2015, government notified the revised standards for coal-based thermal power plants in the country, which aimed to minimise pollution and limit water usage. The standards were made stringent for recent plants, compared with earlier ones and most stringent for plants to be set up in future. Upgradation of ESP (electrostatic precipitator), installation of a flue gas de-sulphurisation (FGD) plant, modification of combustion system, upgrading

cooling towers to reduce specific water consumption, etc., would escalate the capital cost of coal-based plants by Rs 1.5 - 2 million per MW if land is available for the expansion to equipment. However, if adequate land is not available, cost could be higher for the same. Although the capital expenditure incurred towards these modifications would be passed on to discoms, it would be subject to approval from respective regulatory commission and PPA clauses. Thus, changes in emission norms have a moderate impact on power generation projects.

6.1.1.8 Regulatory and policy issues

The Electricity Act, 2003, promoted competition in the power sector and provided for the de-licensing of thermal power generation. Also, while power deficit levels were as high as ~8.4% in fiscal 2006, the power generation segment was given thrust through competitive bidding (Case-I and Case-II) for PPAs and allocation of coal blocks/ signing of letter of assurance (LoA) for coal supply. As a result, the share of the private sector in the total installed capacity (thermal) witnessed the strongest traction.

However, after the cancellation of coal block allocation in September 2014, a number of plants were stalled due to want of fuel. Although the latest coal linkage policy (SHAKTI) notified in May 2017 aims to resolve this bottleneck, it has added a clause of providing discount on existing PPA tariffs, which would hurt project returns. Also, denial of compensatory tariff on account of international price changes, cancellation of PPA bids, backing down of wind and solar generation despite its 'must-run' status, and renegotiation of PPAs are some of the key risks the power generation sector is facing.

7. Overview of battery energy storage and lithium-ion battery in India

7.1 Overview of BESS market

Overview of ESS industry

Energy storage systems (ESSs) are used to exchange power with the grid and can be categorised based on the energy form ultimately stored. There are several energy storage technologies, broadly classified as mechanical, thermal, electrochemical, electrical and chemical storage systems. Mechanical storage technologies include pumped storage hydro (PSH), compressed air energy storage (CAES) and flywheels. Thermal storage includes ice-based storage systems, hot and chilled water storage, molten salt storage, and rock storage technologies.

Within the electrochemical category, which includes technologies that use different chemical compounds to store electricity, the most common are lead-acid batteries, high-temperature sodium batteries, flow batteries, zinc-based batteries, and Li-ion batteries. Electrical storage systems also include super-capacitors and superconducting magnetic energy storage (SMES), while chemical storage typically uses electrolysis to produce hydrogen as a storage medium which can subsequently be converted to energy in various modes, including electricity (via fuel cells or engines), heat and transportation fuel (power-to-gas).

Types of ESS

Mechanical	• Pumped storage hydro • CAES • Flywheel
Electrochemical	• Lead-acid batteries, advanced lead acid (lead carbon, bipolar lead acid) • Lithium batteries • Flow batteries (ZnBr, Vn Redox) • Sodium batteries (NaS, Na-NiCl₂)
Thermal	• Sensible: Molten salt, chilled water • Latent: Ice storage, phase change materials • Thermochemical storage
Electrical	• Supercapacitors • Superconducting magnetic coil Energy Storage (SMES)
Chemical (hydrogen)	• Power-to-power (fuel cells, etc.) • Power-to-gas

Source: Ministry of New and Renewable Energy (MNRE), Crisil Intelligence

ESSs include battery energy storage system (BESS), concentrated solar power (CSP) thermal energy storage in molten salt form, CAES, mechanical energy storage system (MESS), etc. These systems help align the overall demand-supply dynamics, especially for renewable energy, which has a varied energy source. By storing excess energy during peak production times, a battery system ensures consistent power supply even during unavailability of natural resources such as sunlight or water.

Overview of BESS

A battery energy storage system (BESS) is an electrochemical device that charges (or collects energy) from the grid and discharges that energy at a later time to provide electricity or other grid services when needed.

The battery system comprises the battery pack, which connects multiple cells to appropriate voltage and capacity; the battery management system (BMS); and the battery thermal management system. The BMS protects the cells from harmful operation, in terms of voltage, temperature and current, to achieve reliable and safe operation and balances varying cell states-of-charge (SOCs) within a serial connection. The battery thermal management system controls the temperature of the cells according to their specifications in terms of absolute values and temperature gradients within the pack. The inverter system, also called power conversion system, converts the DC power to AC power while discharging and converts the AC power to DC power while charging the batteries.

Benefits of BESS

Benefits	Description
Grid stability	A BESS stores the excess energy that is produced during peak production time, which can be released during low demand period. This consistent flow of energy/power helps in proper functioning of the grid and allows to maintain an optimal balance of power/energy demand and supply.

Power backup	As BESS can store excess energy within itself, it helps in providing a reliable power backup in areas with frequent power outages or in facilities that require continuous power supply.
Potentially reduced carbon footprint	Deploying a BESS can also help in reducing carbon footprint by storing electricity, which can be used during high demand/ peak demand times.

Source: Crisil Intelligence

Types of BESS

Several battery chemistries are available or under investigation for grid-scale applications, including lithium-ion, lead acid, redox flow, nickel cadmium, and sodium sulphur. Battery chemistries differ in key technical characteristics and each battery has unique advantages and disadvantages.

Battery type	Round-trip efficiency	Life span	Advantages
Lithium-ion battery	88-90%	10-15 years	High specific energy and high load capabilities with power cell
Sodium-sulphur battery storage	75-85%	10-15 years	Low-cost potential: Inexpensive raw materials and sealed, no-maintenance requirement
Nickel-cadmium battery	60-80 %	10-15 years	Rugged, high cycle count with proper maintenance
Vanadium redox flow battery	70-75%	5-10 years	Long service, versatility
Lead-acid battery	70-75%	3-6 years	Low-cost and simple manufacture, low cost per watt-hour

Note: Round-trip efficiency, measured as a percentage, is a ratio of the energy discharged from the battery to the energy put into the battery

Source: CEA; handbook on energy storage system by ADB, December 2018; Crisil Intelligence

7.2 BESS capacity in India

As per National Electricity Plan 2023 (NEP 2023), capacity of 8,640 MW or 34,720 MWh is estimated to be added between 2022 and 2027 in the BESS segment. The highest capacity addition is expected in solar energy at ~38,890 MW.

The overall capacity addition is expected to be further augmented between 2027 and 2032, during which 38,564 MW or 201,500 MWh is estimated to be added in the BESS segment. The other segments that are also expected to have notable additions are solar, wind, and coal + lignite at 179,000 MW, 49,000 MW, and 25,480 MW, respectively.

Segment-wise capacity additions

Segments	Hydro	PSP	Solar*	Wind*	Biomass [#]	SHP [#]	Nuclear ^s	Coal lignite +	BESS (MW/MWh)
Capacity addition required during 2022-27									
Under construction	10,462	2,700	92,580	25,000	2,318	352	6,300	25,580	-
Additional capacity requirement	-	-	38,990	7,537	0	0	-	-	8,680/ 34,720
Total capacity addition	10,462	2,700	131,570	32,537	2,318	352	6,300	25,580	8,680/ 34,720
Capacity addition required during 2027-32									

Segments	Hydro	PSP	Solar*	Wind*	Biomass [#]	SHP [#]	Nuclear ^{\$}	Coal lignite +	BESS (MW/MWh)
Under construction	1,032	80	-	-	2,500	250	2,400	1,320	
Additional capacity requirement	8,700	19,160	179,000	49,000	-	-	4,200	24,160	38,564/ 201,500
Total capacity addition	9,732	19,240	179,000	49,000	2,500	250	6,600	25,480	38,564/ 201,500

Note:

*As per MNRE, 117.58 GW of solar and wind capacity (under construction or bid out) was planned for 31.03.22, out of which 10.87 GW has been added during 2022-23 till 31.12.22.

Assumed Planned Capacity of Biomass and SHP during 2022-27 and 2027-32

\$ Nuclear projects of 8700 MW are under construction of which 6300 MW are considered to be commissioned during 2022-27 and 2400 MW are considered to be commissioned during 2027-32. Additionally Nuclear projects totaling to 7000 MW are in principle approval stage of which 4200 MW capacity is likely to yield benefit during the year 2027-32

Source: CEA, Crisil Intelligence

India's largest solar-battery project launched in Chhattisgarh

In 2024, Solar Energy Corporation of India Limited (SECI), under the aegis of MNRE, has successfully commissioned India's largest BESS, which stores energy using solar energy. The 40 MW/ 120 MWh BESS with a solar photovoltaic (PV) plant, which has an installed capacity of 152.32 MWh and dispatchable capacity of 100 MW AC (155.02 MW peak DC), is located in Rajnandgaon, Chhattisgarh. The energy would be purchased by the state of Chhattisgarh, thus contributing to meeting the peak energy demand of the state using green electrons as well as towards its renewable purchase obligations.

The project using solar panels and battery storage represents a monumental leap forward in generation and use of renewable energy. The project utilises battery storage for storing solar energy when the sun is shining and using it later during hours of peak demand in the evening, for meeting the electricity demand in the state. The project has deployed bifacial modules, which reflect the light from the ground, thus generating more electricity than monofacial modules and setting a new standard for large-scale renewable energy projects.

Regulatory and policy framework related to energy storage systems

Viability gap funding (VGF)

For establishment of BESS projects, costs are a challenge in the initial years because volumes are low. Therefore, VGF becomes essential for supporting initial uptake of BESS by consumers. To decrease the levelised cost of storage and make BESS a viable option, it has been proposed to offer VGF to an initial few BESS project. The VGF may be up to 40% of the capital cost of the project, with the condition that the project must be commissioned within 18 to 24 months. With the proposed VGF, the levelised cost of storage can be managed at affordable levels. Considering the cost of energy for charging BESS, the total cost of energy from BESS would be comparable to the price in the power exchanges during the peak demand periods. Thus, with the proposed VGF, BESS would become a viable option for peak power management. The scheme is further expected to support development of the ecosystem for BESS and help reduce cost with subsequent large-scale expansion of BESS capacity.

The VGF for development of BESS Scheme, with an initial outlay of Rs.94 billion, including a budgetary support of Rs.37.6 billion, signifies the government's commitment to sustainable energy solutions.

PLI scheme: National Programme on Advanced Chemistry Cell Battery Storage

In June 2021, the Ministry of Heavy Industries (MHI) launched a Production-Linked Incentive (PLI) scheme for the manufacturing of advanced chemistry cell (ACC) battery storage of 50 GWh capacity, which includes more than 10 GWh grid-scale battery storage. Out of the 50 GWh capacity, 30 GWh capacity has already been allotted through a competitive bidding process as of December 2023. The PLI-ACC scheme has an outlay of Rs 181 billion.

The PLI scheme would encourage investment in domestic manufacturing of cells for grid-scale applications, reduce dependency on imports, and reduce cost of BESS in the future.

High import duty protects domestic market

Manufacturers of power storage systems do not receive direct incentives. The high duties and taxes, set at 10%, imposed on imported power storage equipment act as a deterrent to cheaper imports. Additionally, the Goods and Services Tax (GST) rate for most power storage products is 18%. The customs duty for imported cobalt matt, which is used for further processing, stands at 5%. Although this can be viewed as a positive, its benefits will only be realised once domestic battery manufacturing capacities are established. However, in terms of raw materials, the government has categorised imported cobalt, nickel and lead used in the production of power storage equipment under the 5% import duty bracket.

Environmental compensation funds for battery waste management

The Ministry of Environment, Forest and Climate Change, Government of India, published the Battery Waste Management Rules, 2022, in August 2022, to ensure environmentally sound management of waste batteries. The rules cover all types of batteries, viz. electric vehicle (EV) batteries, portable batteries, automotive batteries and industrial batteries. The rules function based on the concept of Extended Producer Responsibility (EPR), where the producers (including importers) of batteries are responsible for collection and recycling/refurbishment of waste batteries and use of recovered materials from wastes into new batteries. EPR mandates that all waste batteries are to be collected and sent for recycling/refurbishment, and it prohibits disposal in landfills and incineration.

The rules promote setting up of new industries and entrepreneurship in collection and recycling/refurbishment of waste batteries. Mandating the minimum percentage of recovery of materials from waste batteries under the rules will bring new technologies and investment in the recycling and refurbishment industry and create new business opportunities. Prescribing the use of a certain amount of recycled materials in making new batteries will reduce the dependency on new raw materials and save natural resources.

Based on the ‘polluter pays’ principle, environmental compensation will be imposed for non-fulfilment of EPR targets, responsibilities and obligations set out in the rules. The funds collected under environmental compensation shall be utilised in collection and refurbishing or recycling of uncollected and non-recycled waste batteries.

Waiver of ISTS charges on transmission of electricity generated from solar, wind pumped storage plant and BESS

In June 2021, the Ministry of Power had extended the waiver of ISTS charges on transmission of electricity generated from solar and wind sources for projects to be commissioned up to June 30, 2025. Further, the order promotes the development of solar, wind, Hydro Pumped Storage Plant (PSP) and Battery Energy Storage System (BESS), trading of RE in the power exchanges and seamless transmission of RE power across the states. The waiver of inter-state transmission charges on transmission of the electricity generated from solar and wind sources of energy that was available to solar and wind projects commissioned up to 30th June 2023 has now been extended till 30th June 2025.

The waiver of Inter- State transmission system (ISTS) charges has also been allowed for Hydro Pumped Storage Plant (PSP) and Battery Energy Storage System (BESS) projects to be commissioned up 30th June 2025. This will promote the Hydro Pumped Storage Plant (PSP) and Battery Energy Storage System (BESS) projects for meeting the balancing requirement of the grid caused due to large scale integration of Renewables in the Electricity Grid ie around 450 GW by 2030.

National Mission on Transformative Mobility and Battery Storage

The Government of India approved setting up of a National Mission on Transformative Mobility and Battery Storage in March 2021 to drive clean, connected, shared, sustainable and holistic mobility initiatives.

The mission will develop strategies for transformative mobility and Phased Manufacturing Programme (PMP) for EVs, EV components and batteries. PMP will focus on battery, raw materials, electrochemistry, end-of-life treatment, cell manufacturing, modules and battery packs. It would support setting up of large-scale, export-competitive integrated batteries and cell-manufacturing giga plants in India, as well as localise production across the entire EV

value chain. The mission's objective is to coordinate with relevant central ministries/ departments and states in integrating various initiatives for mobility transformation in India.

Key growth drivers and trends of the BESS industry

Growth drivers	Description
Cost reduction	As per NEP 2023, the cost of BESS has been reducing significantly, making it one of the preferred options for deployment. As discussed above, BESS has the advantage of balancing the grid against load fluctuations, intermittency in generation, etc.
Government focus	The Government of India's increasing focus on the BESS industry is expected to positively impact the overall growth of BESS. The government has launched multiple initiatives, including the PLI scheme of ACC batteries, VGF for BESS, and waiver of ISTS charges for BESS projects. The Ministry of Power has also released the National Framework for Promoting Energy Storage Systems, to encourage the adoption of energy storage for ensuring an environmentally sustainable and financially viable power sector.
Increasing share of renewable energy in overall energy capacity	India has set a target to achieve 50% cumulative installed capacity from non-fossil fuel-based energy resources by 2030 and has pledged to reduce the emission intensity of its GDP by 45% by 2030, based on 2005 levels. This transition towards renewable energy is expected to aid the growth of BESS, which is crucial to store excess energy generated during peak production times and supply it during periods of high demand/ low production to ensure uninterrupted supply.

Source: CEA, Crisil Intelligence

7.3 Overview of lithium-ion battery industry in India

Lithium-ion (Li-ion) batteries are a type of BESS. They are suitable for both small- and large-scale electricity storage in power generation. Li-ion battery chemistries have the highest energy density and are considered safe. No memory or scheduled cycling is required to prolong battery life. Li-ion batteries are used in electronic devices such as cameras, calculators, laptop computers, and mobile phones, and are increasingly being used for electric mobility.

Benefits of Li-ion batteries

Benefits	Description
High specific energy	Li-ion batteries have high specific energy, which makes them a convenient choice for devices that require extended use without frequent charging.
Long cycle and extended shelf life; maintenance-free	Li-ion batteries have long cycles, ensuring endurance to numerous cycles of charge and discharge before significantly losing energy, which also ensures extended shelf life. Additionally, these batteries are comparatively maintenance-free, eliminating the need of periodic upkeep, which further enhances the convenience of the end-consumer.
High capacity and low internal resistance	With high capacity, Li-ion batteries can store significant amounts of energy, thereby supporting longer operational times for devices. Additionally, because of their low internal resistance, energy losses are also reduced, which translates into better efficiency.
Short charge times	Li-ion batteries have reasonably short charge times, which significantly reduces downtime for devices and vehicles. This attribute makes Li-ion batteries a convenient choice for portable devices such as laptops and mobile phones. The ability to quickly charge, combined with high capacity, enhances overall consumer convenience.

Source: Crisil Intelligence

Key growth drivers and trends of Li-ion battery industry

7.3.1.1 Falling cost of Li-ion batteries

Due to technological innovations and improved manufacturing capacity, Li-ion chemistries have experienced a steep decline in prices since inception.

Additionally, the industry is continuously evolving and is in the process of improving capacity, power, size, reliability and safety for applications involving both EVs and power generation. This is expected to further aid the growth of the industry.

7.3.1.2 Increasing demand for EVs in India

In India, the increasing acceptance of EVs has led to a surge in their demand. EVs are a significant end-use case of the Li-ion battery. As consumers become more environmentally conscious, EV demand is expected to increase further. Additionally, the Government of India has launched the FAME scheme to encourage the adoption of EVs and build the associated charging infrastructure, which is expected to increase the share of EVs in overall automobile sales to ~30% in the country by 2030. This growing market will directly boost demand for Li-ion batteries.

7.3.1.3 Shift towards clean energy solutions

India's installed generation capacity, which stood at 356 GW at the end of fiscal 2019, is expected to reach ~480 GW in fiscal 2025 on the back of healthy renewable capacity additions (including solar, wind, hybrid and other renewable sources), even as additions in coal and other fuels have declined. In fiscal 2025, renewables are expected to account for ~36% of the installed capacity, up from ~22% in fiscal 2019. Meanwhile, coal-based capacity is expected to taper to ~45%. By fiscal 2029, renewable energy capacity is expected to account for 50-55% of the installed capacity of 700-710 GW.

India's transition towards renewable energy such as solar, wind and hydro has led to higher demand for BESS. As per NEP 2023, Lithium-ion batteries currently offer superior performance and dominate the global BESS market. Hence, this push towards green energy solutions such as solar and wind power necessitates efficient battery storage solutions, including Li-ion batteries.

7.3.1.4 Growing demand for consumer durable products

India's expanding per capita income has led to higher discretionary spending by households. This, along with increasing dependence on the online ecosystem, has resulted in an increase in consumer durable products in the country. Li-ion batteries are a convenient choice for consumer electronics products due to their properties such as high capacity, low internal resistance, and good coulombic efficiency.

Hence, increasing demand for consumer durable products is expected to positively influence demand for Li-ion batteries.

8. Competitive assessment of passive telecom infrastructure and maintenance providers in the telecom tower industry in India

In this section, Crisil has analysed some key passive telecom infrastructure and maintenance providers in the telecom tower industry in India. The list of competitive peers considered in this section is not exhaustive but indicative. Only players providing passive telecom infrastructure and related maintenance services within a comparable revenue range have been considered in this section.

Data has been obtained from publicly available sources, including annual reports available in the public domain/ filed with the Registrar of Companies (RoC), investor presentations of listed players, regulatory filings, rating rationales, and/or company websites and social media pages. Financials in the competitive section have been re-classified by Crisil, based on annual reports available in the public domain/ filed with the RoC and financial filings by the relevant players. Financial ratios used in this report may not match with the reported financial ratios by the players on account of Crisil's standardisation and re-classification.

8.1 Overview of key players

Company name	Year of incorporation	International Presence	Business overview
Bondada Engineering Limited	2012	N.A.	Bondada Engineering Ltd (BEL) has more than 12 years of experience and is engaged in the business of providing engineering, procurement and construction (“EPC”) services and operations and maintenance (“O&M”) service to players operating in telecom and solar energy industry.
Delta Electronics India Private Limited	2008	Yes*	Delta Electronics India Private Limited (DEIPL) is the wholly owned subsidiary of Delta Thailand and has more than 16 years of experience in India. The company is one of the providers of ICT infrastructure and a player of industrial automation, display solutions, UPS, DC fans and blowers, components, bio-medical, LED lighting, automotive electronics, and renewable energy products.
Dinesh Engineers Limited	2006	N.A.	Dinesh Engineers Limited (DEPL) has ~18 years of experience in providing passive communication infrastructure in India, including construction, laying and maintenance of optical fiber network, installation of telecommunication towers, operational and maintenance of optical fiber network and towers, leasing of own optical/dark fiber networks.
Exicom Tele-Systems Limited	1994**	Yes*	Exicom Tele-Systems Limited is headquartered in India and has ~30 years of experience. It is a power management solutions provider through two business verticals of critical power solutions business and electric vehicle supply equipment (“EV Charger(s)”) solutions.
Pace Digitek Limited	2007	Yes	The company operates across telecom, energy and ICT business segments. The company manufactures DC supplies, SMPS, Power Interface Units, Batteries, AMF Panels, and Rectifier Modules etc. It also provides services as a EPC and O&M player for large turn key Telecom passive projects, Telecom site utilities, OFC network projects & ICT/Smart City projects. The company has a pan India presence and ~18 years of experience. The company also provides EPC services for solar plants and battery energy storage solutions. Pace Digitek’s subsidiary Lineage Power Pvt Ltd manufactures, supply and installs integrated power management systems in telecom sites.

Note: The information provided above is only indicative and not an exhaustive list of business offerings of the respective companies

**As of fiscal 2023*

***The Company was incorporated as “Himachal Exicom Communications Limited”, a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh on May 9, 1994. The name of the Company was changed to “Exicom Tele-Systems Limited”, pursuant to a*

resolution passed by our Shareholders on August 6, 2008, and a fresh certificate of incorporation consequent upon change of name issued by the RoC on August 11, 2008.

Source: Company websites, annual reports available in the public domain/ filed with the RoC, Crisil Intelligence

Key services and offerings

Company name	Passive telecom infrastructure			Energy	
	Tower construction	OFC related services ¹	Telecom tower related services ²	Energy storage solutions (ESS)	Other energy solutions ³
Bondada Engineering Limited	✓	✓	✓	✗	✓
Delta Electronics India Private Limited	✗	✗	✓	✓	✓
Dinesh Engineers Limited	✓	✓	✓	✗	✗
Exicom Tele-Systems Limited	✗	✗	✓	✓	✓
Pace Digitek Limited	✓	✓	✓	✓	✓

Note: The information provided above is only indicative and not an exhaustive list of business offerings of the respective companies

1 Includes services like OFC construction, OFC network roll-out, operation & maintenance of OFC network

2 Includes services related to telecom towers like maintenance services, power solutions, etc.

3 Includes EV related services, charging solutions, renewable energy EPC solutions, etc

The above list is an indicative and not an exhaustive representation of the company's offerings

Source: Company websites, Crisil Intelligence

8.2 Financial overview

Key financial parameters

Operating Income (FY21-24)

Company	Unit	FY21	FY22	FY23	FY24	CAGR (FY21-23)	CAGR (FY22-24)
Bondada Engineering Limited	Rs Mn	2,870.9	3,341.3	3,705.9	8,007.6	13.6%	54.8%
Delta Electronics India Private Limited	Rs Mn	13,223.5	15,799.8	23,226.8	N.A.	32.5%	N.A.
Dinesh Engineers Limited	Rs Mn	3,932.1	4,011.9	4,144.4	N.A.	2.7%	N.A.
Exicom Tele-Systems Limited	Rs Mn	5,133.3	8,436.1	7,086.8	10,385.0	17.5%	11.0%
Pace Digitek Limited	Rs Mn	5,794.5	4,142.5	5,162.6	25,114.3	-5.6%	146.2%

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

N.A.: Not available

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

Exicom Tele-Systems Limited fiscal 2024 numbers based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Operating Profit Before Depn. Interest and Taxes (OPBDIT) (FY21-24)

Company (Rs million)	Unit	FY21	FY22	FY23	FY24	CAGR (FY21-23)	CAGR (FY22-24)
Bondada Engineering Limited	Rs Mn	163.1	198.7	300.8	685.3	35.8%	85.7%
Delta Electronics India Private Limited	Rs Mn	937.6	543.4	1,622.1	N.A.	31.5%	N.A.
Dinesh Engineers Limited	Rs Mn	971.6	1,253.6	1,264.7	N.A.	14.1%	N.A.
Exicom Tele-Systems Limited	Rs Mn	326.2	688.7	531.9	1,309.9	27.7%	37.9%
Pace Digitek Limited	Rs Mn	504.7	380.2	346.3	4,212.2	-17.2%	232.8%

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

N.A.: Not available

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

Exicom Tele-Systems Limited fiscal 2024 numbers based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Profit after tax (PAT) (FY21-24)

Company (Rs million)	Unit	FY21	FY22	FY23	FY24	CAGR (FY21-23)	CAGR (FY22-24)
Bondada Engineering Limited	Rs Mn	92.1	101.4	167.4	447.3	34.8%	110.1%
Delta Electronics India Private Limited	Rs Mn	366.5	115.7	623.9	N.A.	30.5%	N.A.
Dinesh Engineers Limited	Rs Mn	507.1	678.7	661.3	N.A.	14.2%	N.A.
Exicom Tele-Systems Limited	Rs Mn	34.5	51.4	63.7	639.2	35.9%	252.8%
Pace Digitek Limited	Rs Mn	189.0	118.1	128.8	2,277.5	-17.5%	339.2%

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

N.A.: Not available

Exicom Tele-Systems Limited fiscal 2024 numbers based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Key ratios (Fiscal 2023)

Company	OPBDIT%	PAT%	ROCE%	ROE%	Gearing ratio
Bondada Engineering Limited	8.1	4.5	21.5	24.3	1.0
Delta Electronics India Private Limited	7.0	2.7	4.7	3.7	0.3
Dinesh Engineers Limited	30.5	16.0	22.0	16.2	0.2
Exicom Tele-Systems Limited	7.5	0.9	9.2	3.2	0.6
Pace Digitek Limited	6.7	2.5	6.3	3.8	0.6

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

Formulae used in the above table are as follows:

OPBDIT % = OPBDIT / operating income

PAT % = PAT / operating income

RoCE = Profit before interest and tax (PBIT) / [total debt + tangible net worth]

RoE = PAT / tangible net worth

Gearing Ratio = Total Debt / Tangible Net worth

Exicom Tele-Systems Limited fiscal 2024 numbers based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Key ratios (Fiscal 2024)

Company	OPBDIT%	PAT%	ROCE%	ROE%	Gearing ratio
Bondada Engineering Limited	8.6	5.6	35.0	36.1	0.4
Exicom Tele-Systems Limited	12.6	6.2	21.8	14.0	0.0
Pace Digitek Limited	16.8	9.1	53.7	48.8	0.8

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

Formulae used in the above table are as follows:

OPBDIT % = OPBDIT / operating income

PAT % = PAT / operating income

RoCE = Profit before interest and tax (PBIT) / [total debt + tangible net worth]

RoE = PAT / tangible net worth

Gearing Ratio = Total Debt / Tangible Net worth

Exicom Tele-Systems Limited fiscal 2024 numbers based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Key observations

- Pace Digitek Limited provides end-to-end solutions with highly integrated operations in the telecom tower sector, ranging from manufacturing and supply of power management systems, project execution through engineering, procurement and construction (EPC) or turnkey mode, product life cycle management services, and operations and maintenance (O&M)

Addendum to the report “Assessment of telecom tower, optical fibre EPC, solar energy and rural electrification markets in India” dated 1st September 2025

1. Overview of solar renewable energy sector in India

Solar energy can be converted to electricity in two ways:

1. **Solar Photovoltaic** - Convert sunlight directly into electricity. In addition to grid-connected systems, PV systems are also used in remote locations that are not connected to the electric grid. They are also used to power watches, calculators, and lighted road signs.
2. **Concentrated Solar Power** - Indirectly generate electricity when the heat from solar thermal collectors is used to heat a fluid, which produces steam that is used to generate power.

Solar Photovoltaic

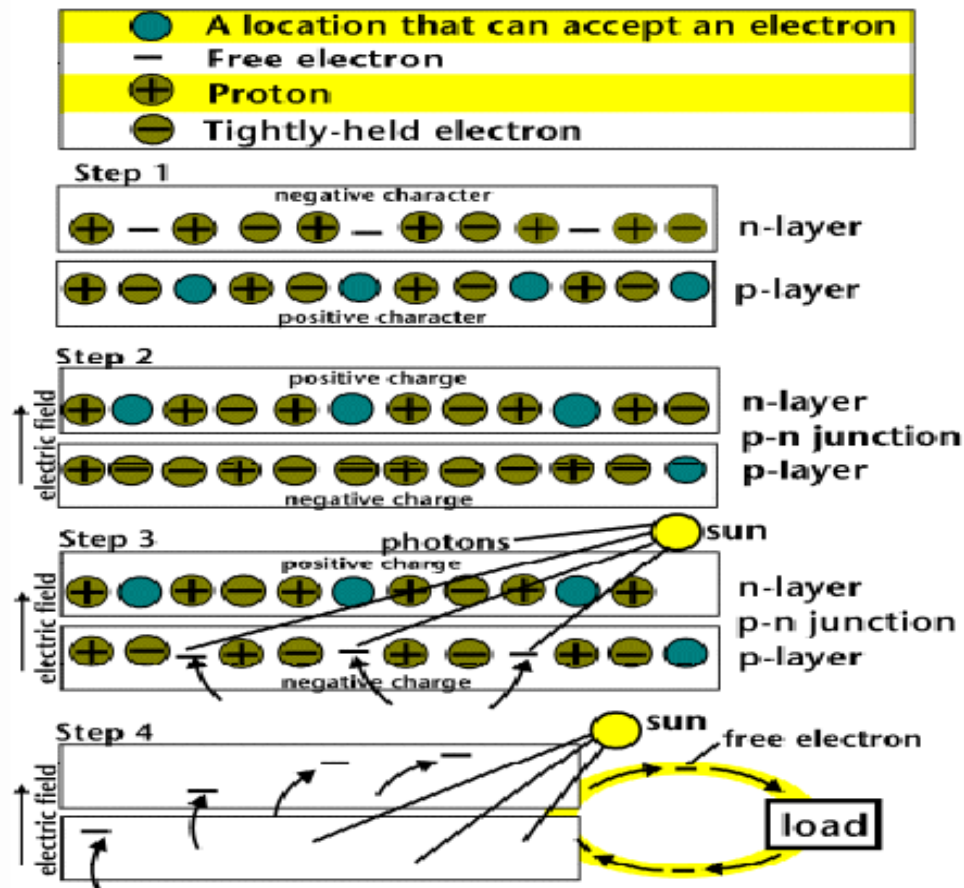
Solar photovoltaic (SPV) is the process of converting solar radiation (sunlight) into electricity using a device called solar cell. A solar cell is a semi-conducting device, made of silicon or other semi-conductor materials, that generates electricity when exposed to sunlight. Magnitude of electric current generated depends on the intensity of solar radiation, exposed area of solar cell, type of material used in fabricating the solar cell and ambient temperature. Solar cells are connected in series and parallel combinations to form modules that provide the required power.

Sunlight is composed of photons or particles of solar energy. These photons contain varying amounts of energy corresponding to different wavelengths of the solar spectrum. When photons strike a photovoltaic cell, they may be reflected, pass right through, or be absorbed. Only the absorbed photons provide energy to generate electricity. When enough sunlight (energy) is absorbed by the material (a semiconductor), electrons are dislodged from the material's atoms. Special treatment of the material surface during manufacturing makes the front surface of the cell more receptive to free electrons, so the electrons naturally migrate to the surface.

When the electrons leave their position, holes are formed. When many electrons, each carrying a negative charge, travel towards the cell's front surface, the resulting imbalance of charge between the cell's front and back surfaces creates a voltage potential like the negative and positive terminals of a battery. When the two surfaces are connected through an external load, electricity flows.

The photovoltaic cell is the basic building block of a photovoltaic system. Individual cells can vary in size from about 1 centimetre to about 10 centimetres across. However, one cell only produces 1 or 2 watts, which is insufficient power for most applications. To increase power output, cells are electrically connected into a packaged weather-tight module. Modules can be further connected to form an array. The term array refers to the entire generating plant, whether it is made up of one or several thousand modules. The number of modules connected together in an array depends on the power output needed.

Working of photovoltaic cell



Source: Energy Information Administration, Crisil Intelligence

A photovoltaic array's performance is dependent upon sunlight. Climatic conditions (for example, clouds, fog) have a significant effect on the amount of solar energy received by a photovoltaic array, and consequently, its performance. Some advantages of photovoltaic systems are:

1. As sunlight is directly converted to electricity, bulky mechanical generator systems are unnecessary.
2. PV arrays can be installed quickly and in any size required
3. The environmental impact is minimal, as it doesn't require water for system cooling (though required for cleaning) and does not generate any by-products

Photovoltaic cells, like batteries, generate direct current (DC). When DC from photovoltaic cells is used for commercial applications or sold to electric utilities using the electric grid, it must be converted to alternating current (AC) using inverters (devices that convert DC power to AC).

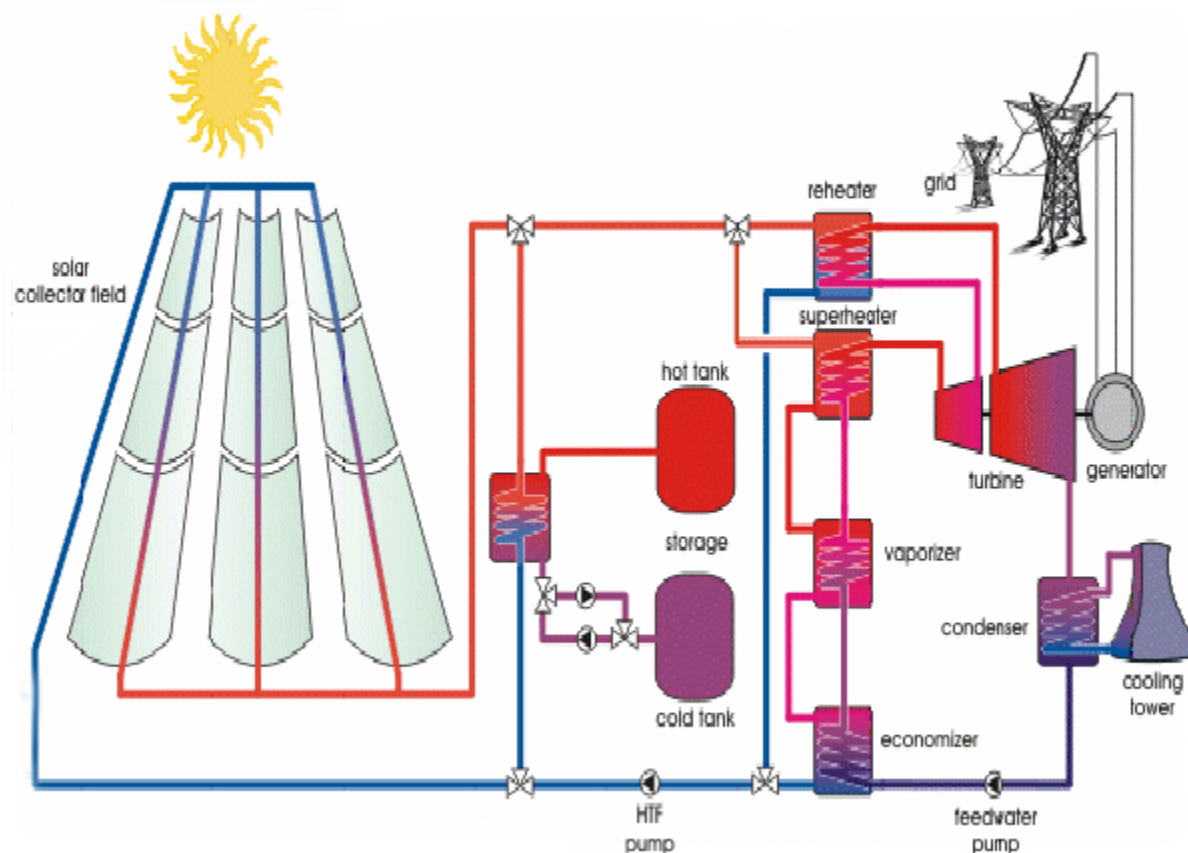
Concentrated solar power

Solar power systems use the sun's rays - solar radiation - as a high-temperature energy source to produce electricity in a thermodynamic cycle. The need for concentrating solar energy arises because solar radiation reaches the earth's surface with a density (kW/m²) that is adequate for heating systems, but not for an efficient thermodynamic cycle for producing electricity. This means density has to be increased and incoming solar radiation has to be concentrated by using mirrors or lenses. The first commercial plant to use this technique is in operation in California, USA, since the

mid-1980s, with 354 MW of solar power installed. India's installed concentrated solar power base was 343 MW by December 2023, accounting for ~5% of the global installed base.

Main concepts used in CSP technologies are parabolic troughs, solar towers, or dish/engine systems, which vary according to the concentration devices, energy conversion methods, storage options and other design variables. Solar radiation can also be used to drive chemical reactions for the production of fuels and chemicals such as detoxification of chemical waste and energy storage.

Schematic of a concentrated solar thermal trough power plant with storage



Source: Volker Quaschnig

Overview of solar capacity addition in India

Solar capacities of 77 GW added over fiscals 2020 to 2025

Solar power capacities of 77 GW were added between fiscals 2020 and 2025. Although the government's impetus for solar power has been supportive over the past 2-3 years, the past few fiscals have seen policy incoherence with instances of PPA renegotiation/bid cancellations, additional duty investigations on solar inputs, revision of GST to 12% from 5% and a change in the customs duty classification of solar cells and modules. These factors have restricted solar capacity addition in India.

Fiscal 2026 starts on a strong footing

The Q1 of fiscal 2026 witnessed an addition of 8.5 GW of ground mounted solar capacity, registering a growth of 4 times growth on year. Early market estimates suggest that 80-90% of the additions were utility scale driven, while the rest was contributed by open access. These additions ride on wave of already recording breaking additions of 16.9 GW of ground mounted solar capacity. While a part of the projects commissioned in fiscal 2025 were exempt from the ALMM, the rising base of capacity enlisted (91.5 GW in June 2025) provided a strong support to developer. This is supported by falling upstream component prices due to global oversupply.

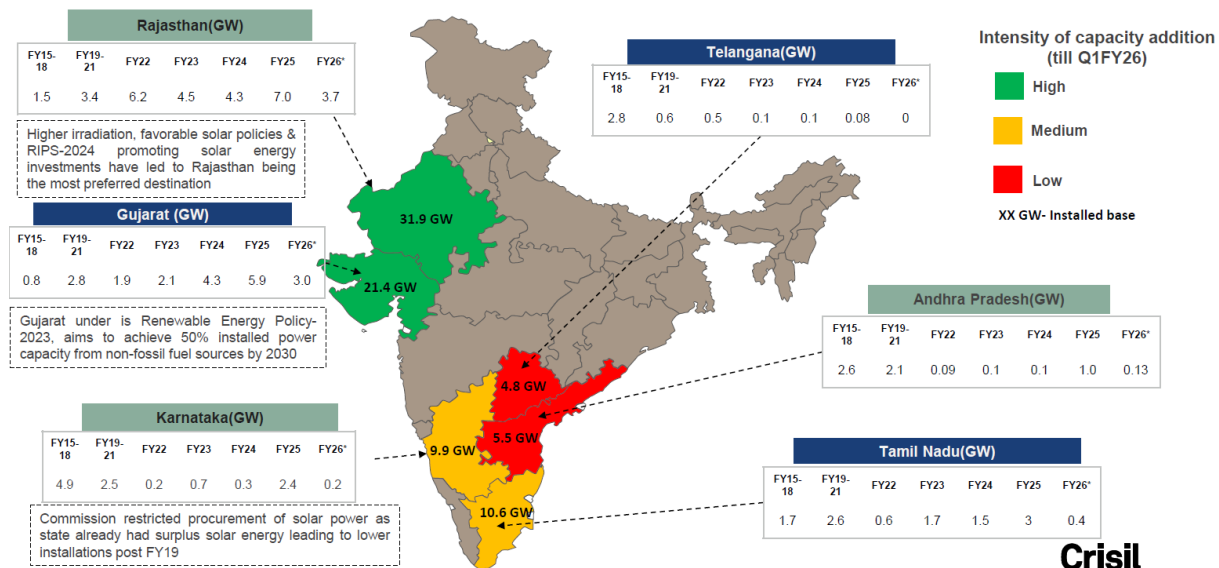
Majority of the addition in fiscal 2025 and Q1 of fiscal 2026 were in the states of Rajasthan and Gujarat. Some of the major additions coming in form of pent-up pipeline from 2020 and 2021.

Key projects commissioned in Rajasthan and Gujarat, which alone contributed to a majority of the capacity in fiscal 2025 and Q1 fiscal 2026

Sr. No.	Scheme Name	State	Capacity (MW)
1	SECI Pan India Solar, 7,000 MW (Manufacturing-linked), Jan-2020	Gujarat	1,739
2	SECI Rajasthan Solar Tranche-V, 1,785 MW, Dec-2021	Rajasthan	900
3	SECI Pan India Solar Tranche- I, 2,000 MW, Jul-2018	Rajasthan	600
4	SECI Pan India Solar Tranche-II, 3,000 MW, Jul-2018	Rajasthan	600
5	GUVNL Gujarat Solar Tranche-XIV, 500 MW, Jun-2022	Gujarat	423
6	SECI Rajasthan Solar Tranche-III, 1,070 MW, Nov-2020	Rajasthan	422
7	NTPC Pan India Solar, 1,200 MW, Aug-2020	Rajasthan	400
8	SECI Pan India RTC Tranche-I. 400 MW (Solar-Wind-Storage Hybrid), May- 2020	Rajasthan	400
9	RUMS Madhya Pradesh Solar, 500 MW, Aug-2021	Madhya Pradesh	330
10	GUVNL Pan India Solar Tranche-XIX, 500 MW, Apr-2023	Gujarat	320
11	TPL Gujarat Solar, 300 MW, Feb-2021	Gujarat	300
12	SECI Pan India Solar Tranche-IX, 2,000 MW, Jun-2020	Rajasthan	300
13	SECI Pan India Solar Tranche-XVII, 1,000 MW, Dec-2024	Rajasthan	300
14	SECI Andhra Pradesh Solar, 750 MW, Jul-2018	Andhra Pradesh	250
15	RUMS Madhya Pradesh Solar, 450 MW, Jul-2021	Madhya Pradesh	225

Source: Industry; Crisil Intelligence

Gujarat and Rajasthan to form ~46% of the total pan India solar installed base as of June 2025



Note: *YTD refers to April-June 2025

Source: Ministry of New and Renewable Energy (MNRE), Crisil Intelligence

As illustrated in the chart, Rajasthan and Gujarat has a total of ~53 GW of solar power installed base or ~46% of total solar capacity in the country. These two states accounted for ~63% of solar capacity addition happened in Q1 FY26. This was mainly because of attractive solar policies by the state governments, as well as high irradiance and ample land availability. The states have also set a 90 GW and 100 GW of renewable energy target respectively by fiscal 2030.

Solar capacity additions of 170-180 GW expected over fiscals 2026-2030

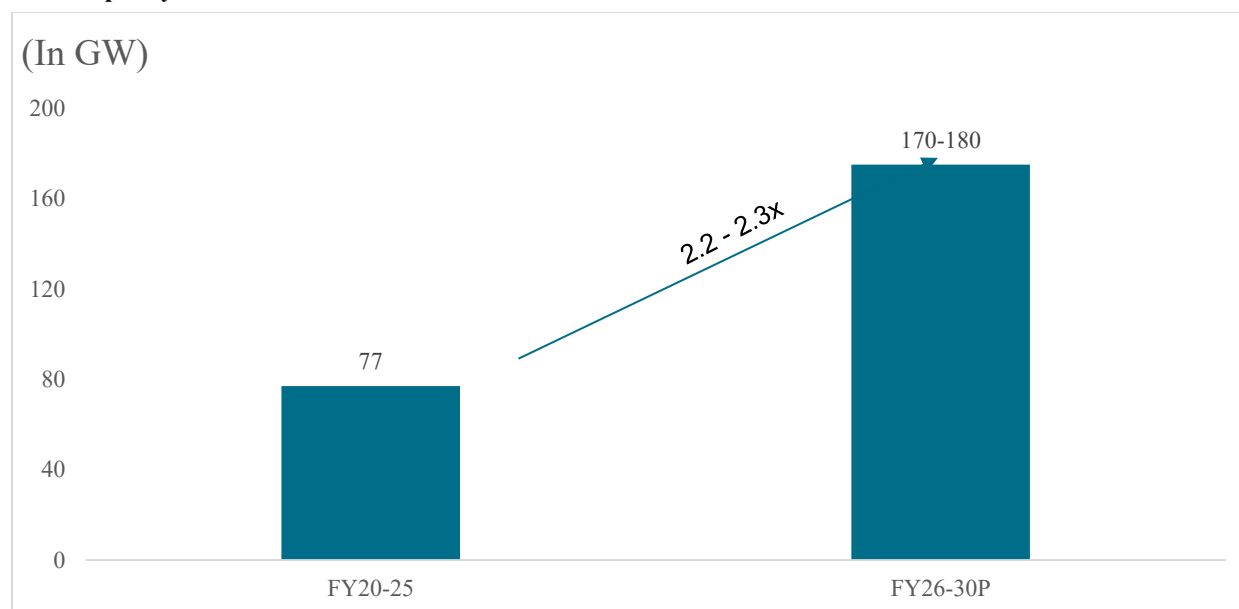
Moving forward, Crisil Intelligence foresees a surge in solar power capacity, reaching 170-180 GW over fiscals 2026 to 2030, significantly surpassing the 77 GW added between fiscals 2020 and 2025. This will be driven by additions as follows:

- **Other central schemes:** The Solar Energy Corporation of India (SECI) tenders under the Inter-State Transmission System (ISTS) scheme, currently has tendered and allocated capacity more than 40 GW (including hybrid).
- **State solar policies:** ~48 GW of projects are under construction and are expected to be commissioned over fiscal 2026-2030. Based on tendered capacities by states as of June.
- **PSUs:** The Central Public Sector Undertaking (CPSU) programme under JNNISM had been extended to 12 GW in February 2019. The government is also encouraging cash-rich PSUs to set up renewable energy projects. In particular, NTPC has already commissioned a total of over ~3.7 GW of new capacity in fiscal 2025 so far under various schemes. It has a target of installing ~35 GW of renewable energy capacities by fiscal 2028. Similarly, NHPC had allocated 2 GW of projects in 2020, while the Indian Railways has committed to 20 GW of solar power by 2030. Other PSUs such as NLC, defence organizations, and governmental establishments are also expected to contribute to this addition.
- **Rooftop solar projects:** We expect 30-35 GW of rooftop solar projects to be commissioned by fiscal 2030, led by PM Surya Ghar Yojana and industrial and commercial consumers under net/gross metering schemes of various states.
- **Open-access solar projects:** We expect 33-37 GW of open-access solar projects (under the capex and opex mode) to be commissioned by fiscal 2030, led by green energy open access rules 2022, sustainability initiatives/RE 100 targets of the corporate consumers, better tariff structures and policies of states such as Uttar Pradesh and Karnataka, which are more long term in nature

The MNRE has amended the solar bidding guidelines, solar-wind hybrid projects guidelines, and also guidelines for procurement of round-the-clock (RTC) power. The amendments include incorporating several provisions related to extension in commissioning timelines, the definition of force majeure, payment security, and terms of default (discussed in detail later). Overall, the amendments are positive and aimed at resolving hurdles faced by developers.

Further, an amendment to open access regulations via the green energy open access rules through energy banking regulations, changes in minimum contract demand, standardizing calculation of charges, etc will solve the key issues of high levies, absence of banking provisions, and standardization across procedures prevalent in the open access market.

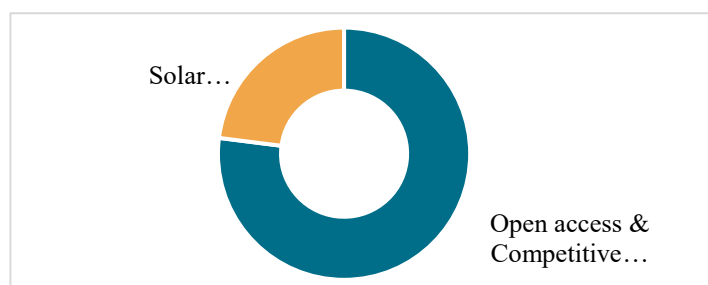
Solar capacity addition



Source: Crisil Intelligence

Open access & Competitive bidding ground mounted additions estimated to account for 76-78% of the total capacity additions

Sources of solar capacity addition (FY25)



In fiscal 2025, Open access ground mounted projects and Competitive bidding ground mounted projects are estimated to have accounted for 76-78% of the total capacity additions. Remaining 22-24% of the overall solar capacity additions is contributed by solar rooftop additions.

Source: Crisil Intelligence

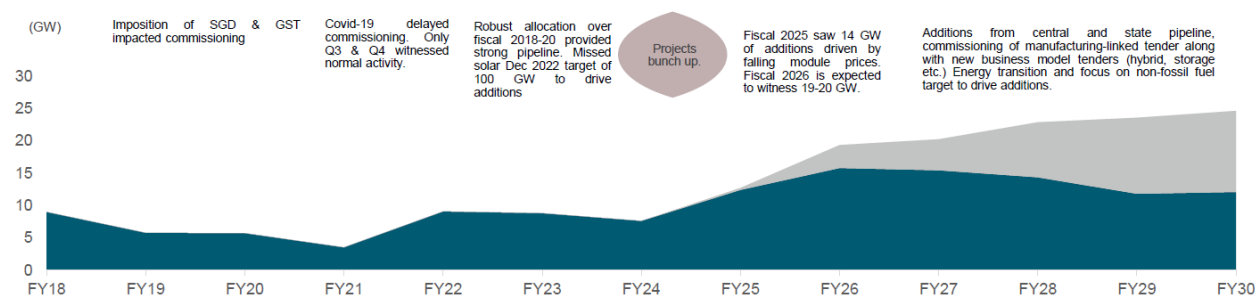
The main policies accounted for our outlook on capacity additions:

- SECI has also tendered capacity under various other schemes, where ~43.9 GW is tendered, 42.7 GW allocated, and ~31 GW is in pipeline
- Under the state schemes, ~48 GW of projects are under construction and are expected to be commissioned over fiscals 2026-2030.
- The government has expanded the 1 GW CPSU programme to 12 GW to encourage cash-rich central PSUs to set up renewable energy projects. About 922 MW, 1,104 MW and 5,000 MW was allocated under Tranche I, II and III of these schemes, respectively. Crisil Intelligence expects 5-6 GW from this scheme to be commissioned till fiscal 2027.
- Crisil Intelligence expects 33-37 GW of projects to be commissioned under the open access utility segment between fiscal 2026 and 2030 driven by the go-green initiatives/sustainability targets of commercial and

industrial (C&I) consumers, effective long-term policies in key states such as Karnataka, Uttar Pradesh and Maharashtra, and lower offtake risk combined with conducive policies such as the Green Open Access Regulations

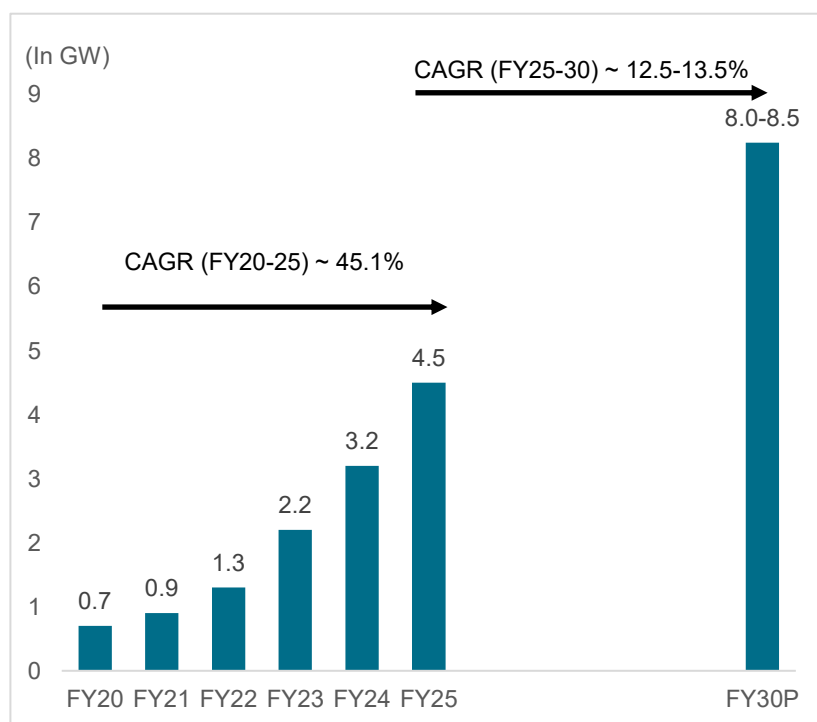
- Crisil Intelligence expects 30-35 GW of projects to be commissioned under the solar rooftop segment between fiscal 2026 and 2030, led by capacity added under PM Surya Ghar Yojana, capacity allocated by the state governments, commissioning of capacity by government institutions such as metro, railways and airports, and capacity to be added by industrial and commercial consumers under net/gross metering schemes of various states.

Solar capacity additions under competitively bid utility scale to see healthy growth of 3 times by fiscal 2030



Source: Crisil Intelligence

Open access additions to see marginal shrink amid scheduled withdrawal of ISTS waiver



Source: Crisil Intelligence

FY24 - Capacity additions soared as developers hastened project commissioning prior to ALMM abeyance expiration in March 2024

FY25- Capacity addition is estimated to continue upward trajectory in lieu of impending ISTS charges waiver

FY26 to FY30 - Green Energy Open access rules, corporate green initiatives, and long-term policies in key states to drive capacity additions.

With cessation of ISTS waiver, projects to commission in last 9M of fiscal 2026 are imposed with 25% of ISTS charges. While those commissioning in fiscal 2030 will see an increase in landed price by Rs 1-2 per unit. This presents a downside risk to the additions

Key reforms and regulatory actions in the Solar renewable energy sector in India

Jawaharlal Nehru National Solar Mission (JNNSM)- JNNSM Phase I

JNNSM was launched as part of India's National Action Plan on Climate Change (NAPCC) in 2010. This mission aims at establishing solar power in India. The mission was launched with a target of 20 GW grid connected solar power generation capacity by 2022. However, in June 2015, this target was increased to 100 GW. The 100 GW solar

power capacity has been divided into rooftop solar electricity generation (40 GW) and large and medium-scale grid-connected solar projects (60 GW). Some other goals of the mission include:

- 20 million sq m of solar thermal collector area
- Creation of favourable conditions for developing solar manufacturing capability in the country
- Supporting R&D and capacity building activities to achieve grid parity by 2022

Under the first phase of the JNNSM, 450 MW was tendered out in two batches — 150 MW (Batch I) and 300 MW (Batch II) — in addition to which, 470 MW was offered under the solar thermal technology. Most of these projects are currently operational.

JNNSM Phase II

A key feature under Phase II was the viability gap funding (VGF) - capital subsidy, which was introduced to reduce the cost of renewable energy to make it more attractive for power purchase to state distribution utilities. MNRE also established SECI as the executing agency under Phase II.

Batch I

Under Phase II Batch-1, the MNRE issued revised guidelines for setting up 750 MW of grid connected solar PV projects based on VGF. Under this scheme, in October 2013, the government floated a tender for 750 MW grid-connected solar projects, for which, Power Purchase Agreements (PPAs) were signed in March 2014. The commissioning schedule of these projects was 13 months from the signing of the PPAs (i.e. by April 2015), which got extended for two months. The tender was divided into two parts: Domestic content requirement (DCR) and open category. The DCR category (375 MW) mandated procurement of indigenously manufactured cells and modules for crystalline and thin film technology whereas no restriction was placed under the open category (375 MW). Some aspects of the policy included:

- SECI signed a PPA for a period of 25 years with the project developers. A fixed tariff of Rs 5.45 per unit was to be paid to the developer for a period of 25 years if accelerated depreciation was not availed and Rs 4.75 per unit in case accelerated depreciation was availed.
- The commissioning timeline was 13 months from the date of signing of the PPA, which was the same as under JNNSM Phase I. In case of delay, the performance bank guarantee of Rs 2 million per MW along with earnest money deposit of Rs 1 million per MW (converted into performance guarantee once the PPA is signed) was to be encashed by SECI as penalty depending on the extent of delay.
- Selection of projects for allotment started from the lowest bidder (L1) and went up to the level where 750 MW was fully allocated or the L1 bid plus 10% was reached.
- VGF was provided to the developer up to a maximum of 30% of the project cost or Rs 25 million per MW, whichever was lower.

Batch II

Under Batch II of Phase II, 15,000 MW of grid-connected solar PV plants were to be implemented in three tranches by NTPC Ltd/NVVN as follows:

- Tranche I – 3,000 MW (2014-15 to 2016-17)
- Tranche II – 5,000 MW (2015-16 to 2017-18)
- Tranche III – 7,000 MW (2016-17 to 2018-19)

All tranches included bundling for solar power with unallocated thermal power made available by the Ministry of Power. The PPAs would be signed by NVVN/NTPC, which, in turn, would sell the bundled power to state utilities. Some aspects of the policy included:

- The bidding would be state-specific and conducted through e-bidding. The projects would be awarded with PPAs signed at fixed levelised tariffs for 25 years with winners.

- The tariff bid could not be higher than the applicable tariff on the day the bids were received as fixed by the State Electricity Regulatory Commission (SERC) for the state where the projects are to be set up or the Central Electricity Regulatory Commission (CERC), whichever was applicable.
- Under the solar park scheme, the host state would provide land for setting up the projects, ensure project connectivity and purchase a major proportion of the bundled power.
- The developer would have the option of scaling up the capacity of the plant; however, any excess generation beyond the capacity utilization factor (CUF) range as laid down in the PPA, would be purchased at a notional support price of Rs 3 per unit.

In order to ensure payment security for the projects awarded under Tranche I, NTPC created a payment security/working capital fund with an estimated corpus of Rs 28 billion. The fund would be sufficient to cover three months' payments for the bundled capacity of 4.5 GW (3GW solar + 1.5 GW thermal power) awarded under this scheme.

However, the total capacity under Batch II has been curtailed to only Tranche I owing to significant decline in solar tariffs to below the Rs 3 per unit mark. This meant bundling of power was not required. Accordingly, subsequent allocations were curtailed.

Batch III and IV

NSM Phase II, Batch III included setting up of 2,000 MW of solar power projects with VGF support. Under this scheme, a tariff of Rs 4.43 per kWh or the discounted tariff as provided through the bidding process, would be considered for a tenure of 25 years by entering into a PPA with SECI. Power from these projects would, in turn, be sold to various bulk consumers/ state utilities by SECI at Rs 4.50 per kWh/discounted tariff plus margin (including trading margin of 7 paise per unit).

Batch IV involved setting up of 5,000 MW solar PV projects. The maximum tariff payable to solar project developers was fixed at Rs 3.93/ kWh with a provision for VGF support. SECI would enter into a PPA for 25 years with the successful bidders for the allocated capacity under this scheme. The main features common across both the policies were:

The bid tariffs reduced substantially under this batch of NSM on account of multiple factors as listed below:

- Availability of infrastructure (land + transmission) under the solar park mechanism
- Lower payment delay/default risk associated with central trading agencies. DISCOMs were under a huge financial burden and would delay payments for RE consumers, but payments under the NVVN and SECI schemes were on time.
- Availability of strong payment security mechanism in the form of letter of credits and payment security fund, etc.

Ultra-Mega Solar Parks

In December 2014, the MNRE introduced a scheme to establish a minimum of 25 solar parks and Ultra Mega Solar power projects, adding over 20 GW of installed solar power capacity, which was later increased to 40 GW to develop a minimum of 50 solar parks of 500 MW and above capacity each by the financial year 2019-20. Later, in July 2018, the MNRE extended the timeline to develop solar parks and ultra-mega solar projects totalling 40 GW from 2019-20 to 2021-22.

The central government provides financial support for the construction of these solar parks. According to the MNRE, such projects can be set up by any Central Public Sector Undertaking (CPSU), state PSU, other state government organisations, or their subsidiaries or a joint venture between two or more entities. The developer is required to complete the project within two years, otherwise the state government is liable to take back the allotted land. The MNRE also added that Ultra Mega Renewable Energy Power Parks (UMREPPs) are not profit-making activities, and hence a maximum of 16% return on equity would be allowed.

Off-grid applications

In case of off-grid applications of solar power, 30 per cent capital subsidy and/or 5 per cent annual interest-bearing loans have been approved for general category states. Capital subsidy of up to 90 per cent of the benchmark project cost is available for the special category states of Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttarakhand.

State solar policies and incentives provided by state governments

Till 2011-12, only Gujarat and Rajasthan had a state solar policy. Post the success of Gujarat state solar policy, various states such as Andhra Pradesh, Tamil Nadu, Karnataka, Madhya Pradesh and Telangana have also announced solar policies and have invited bids to set up solar projects in the past few years.

State wise details of key states

State	Policy
Gujarat state solar policy	The state government has also launched a Rs 140 billion 'Gujarat Aatma Nirbhar' package to support solar power projects. Some of the salient features of the policy are as follows: • Installation capacity targets will be based on RPOs defined by GERC from time to time. The minimum size of a megawatt scale project will be 1 MW, and that of a kW scale project will be 1kW • PPA will remain operational for a period of 25 years • State will facilitate solar rooftop PV systems with net metering on government, residential, industrial, and commercial buildings. State in collaboration with the central government, MNRE, and MoP will undertake measures to provide solar powered pump sets through subsidy support • Developer will be responsible for obtaining the land for the project • Electricity duty on solar consumption will be subject to provisions of the Gujarat Electricity Act, 1958 as amended from time to time
Haryana state solar policy	The state had announced its solar policy in March 2016 and the draft of a new policy was released in April 2021. Some of the important policy highlights are as follows: • DISCOMs may procure power from distributed solar projects up to 2 MW capacity at pre-fixed levelised tariff as determined by HERC, subject to the spare capacity available at the nearest substation. According to the RPO, 20% of the targeted solar power purchased by DISCOMs will be reserved for such small generators below 2 MW capacity • The state government may facilitate the lease or sub-lease of panchayat land at reasonable rates through any government agency or directly through the panchayat for setting up solar projects for a minimum period of 30 years • 10% exemption on total applicable tax will be provided for the industry and commerce department, Haryana for setting up manufacturing units of devices and equipment related to solar power • Ground-mounted solar project installation with storage will be promoted and given preference in granting approvals. The preference will also be given in the tariff if purchased by the Haryana Power Purchase Centre (HPPC) • PPA will remain operational for a period of 25 years

State	Policy
Karnataka state solar policy	The state solar policy came into effect from June 1, 2011, and was revised in September 2013. The state's current solar policy will remain in effect from 2014 till 2021. Under the policy, the state aims to add solar generation of 2,000 MW by 2021. The policy was most recently amended in October 2019. Some of the important policy highlights are as follows: • Solar projects will be allowed a commissioning period of 12 months from the date of signing PPA and private solar parks will be allowed 18 months for completion whereas solar thermal projects would be allowed a longer period of 24 months • Minimum capacity of solar PV power project will be 3 MW in terms of solar PV and the maximum capacity will be 10 MW. The minimum capacity will be 5 MW in terms of solar thermal project • For the promotion of integrated solar parks, the maximum capacity has been increased to 100 MW at a single location against earlier guidelines, which stated the minimum capacity for the private solar park as 25 MW. However, this is subject to an overall limit of 200 MW/ taluk and will not include projects implemented on solar rooftops • A net worth of 30% of the capital cost (to be determined by the Karnataka Electricity Regulation Commission (KERC) from time to time) has been mandated for captive and group captive projects. This was not mandatory before to the amendment
Maharashtra renewable energy policy (Incentives for solar projects)	The government of Maharashtra has finalised its renewable energy policy in 2015, in which it has targeted to install 7500 MW of solar projects across Maharashtra by FY 2022. Further, the state believes that ~2500 MW of solar projects would be utilised by Maharashtra for meeting its RPO compliance and projects would come up under the public private partnership with Mahagenco. Of the 2500 MW of PPP projects, ~10% of 250 MW capacity would be set up on the canals, lakes and other irrigation projects. The remaining 5000 MW of solar projects could be utilised by developers for setting up capacities. Some of the salient features of the policy are: • Deemed non-agricultural (NA) status for solar projects to be set up under the policy • Concessions to be provided under the Maharashtra land acquisition act. Fifty percent discount to be provided for land/lease rentals of land having capacity up to 2 MW • Fifty percent concession on the land charges/lease rentals for government land required for setting up solar module manufacturing line • Concessional charges for acquiring the no objections certificate (NoC) from pollution control board • Open access/captive/third party sale/REC based projects are allowed. Open access allowed for interstate and intrastate transmission of power under the ambit of MERC regulations

State	Policy
Tamil Nadu state solar policy	The state solar policy came into operation on 4 February 2019 and will remain valid until superseded or modified by another policy. It has set a target of 9000 MW by 2023 and 40% of this target will be earmarked for consumer category solar energy system. Some of the salient features of the state's solar policy are: • Consumer category solar energy will be exempted from electricity tax for two years • State will facilitate and support research in the solar energy sector and also collaborate with multi-lateral agencies • An inter-departmental monitoring and coordination committee will be constituted • Awareness creation, education and capacity building in the state
Rajasthan state solar policy	The policy will be effective from 18 December 2019. It has set up a target of 30 GW of solar energy projects by 2024-25. Some of the important policy highlights are as follows: • PPA will remain operational for a period of 25 years • Minimum capacity of 5 MW for both solar thermal and solar PV projects. Maximum capacity of 10 MW will be allowed for solar PV projects and 50 MW for solar thermal projects • Power evacuation transmission infrastructure will be made through the transmission and distribution network being maintained by RVPN and DISCOMs, respectively. • Captive users will be exempted from payment of the electricity duty • Policy initiatives related to manufacturing solar energy equipment in Rajasthan: – MSME policy benefits to be given to manufacturers – Land allotment in industrial area at a 50% concessional rate – Full exemption from electricity for 10 years – Investment subsidy on SGST to equipment manufacturers, wherein 90% of SGST be due and deposited for 10 years – 100% exemption from stamp duty • Policy also aims to develop 33 district quarters as 'Green Energy Cities' over the next five years by installing 300 MW solar rooftop systems

State	Policy
Karnataka state solar policy	The state solar policy came into effect on 1 June 2011 and was revised in September 2013. The state's current solar policy will remain in effect from 2014 till 2021. Under the policy, the state aims to add solar generation of 2,000 MW by 2021. The policy was most recently amended in October 2019. Some of the important policy highlights are as follows: • Solar projects will be allowed a commissioning period of 12 months from the date of signing the PPA and private solar parks will be allowed 18 months for completion while solar thermal projects would be allowed a longer period of 24 months • Minimum capacity of a solar PV power project will be 3 MW in respect of solar PV and the maximum capacity will be 10 MW. Minimum capacity will be 5 MW in respect of solar thermal project • For promotion of integrated solar parks, the maximum capacity has been increased to 100 MW at a single location against earlier guidelines, which stated the minimum capacity for the private solar park as 25 MW. However, this is subjected to an overall limit of 200 MW/ taluk and will not include projects implemented on solar rooftops • A net worth of 30% of the capital cost (to be determined by the KERC from time to time) has been mandated for captive and group captive projects. This was not mandatory prior to the amendment

Source: Crisil Intelligence

The REC option - an alternative for renewable energy generator

The Centre has laid down solar-specific renewable purchase obligations (RPOs) within the overall RPO target to push demand for the relatively expensive solar power. It has specified that 10.25 per cent of the overall power consumption must be met by solar power by 2022. However, enforcement of RPOs is a critical factor for the sector's development.

To facilitate the purchase of solar power by states, which have little or no solar power potential, solar renewable energy certificates (RECs) have been introduced. Hence, a solar power generator has the option to choose between two business models:

- Sign PPAs with state utilities and SECI/NTPC under state solar auctions or central solar auctions, respectively
- Sell the power at average pooled power cost (APPC) to the state utility or, to the third parties at mutually agreed price or on a merchant basis. The environmental attribute is sold separately as an REC

In an order dated June 17, 2020, Central Electricity Regulatory Commission (CERC) removed the floor price of RECs and reduced the forbearance (maximum) price from Rs 2,400 to Rs 1,000 for solar RECs. This decision was led by maturing of REC market in India that reduced the need for having a floor price.

SECI ISTS connected tranches

The Solar Energy Corporation of India (SECI) has launched separate Inter-State Transmission System (ISTS) connectivity scheme with several tranches of allocation. Under the same, nine tranches have been released so far, allocating ~10.84 GW of projects. The latest ISTS project auctioned was 2000 MW ISTS Tranche IX in June 2020, which attracted a record low bid tariff of Rs 2.36 per unit.

The projects to be selected under this scheme can be installed anywhere in India, but must be connected directly to the central PGCIL ISTS system. The minimum voltage for interconnection at the ISTS will be 132 kV.

Key growth drivers and trends

Growth drivers	Description
 Increased awareness	Growing awareness among the consumers about the benefits of solar energy, including environmental sustainability along with favourable government initiatives by the government, has led to an increase in adoption of solar solutions at the residential level. In January 2024, a boost was provided to the residential rooftop segment with the launch of PM Surya Ghar Yojana that aims to solarise 10 million households.
 Technological advancements	Advances in solar technology has proven itself as a catalyst for the industry. Technological improvements such as improved solar efficiency of solar panels and energy storage solutions have made power generation through solar energy more viable and attractive. Technological improvements in renewable energy projects along with battery storage can provide a firm power supply for a longer duration in both on-grid and off-grid applications, helping utilities and consumers meet energy requirements efficiently and in an environment-friendly manner.
 Availability of multiple funding options	The entry of large global players and financially strong Indian conglomerates has intensified competition in the sector. In this scenario, innovative finance avenues such as green bonds, masala bonds (rupee-denominated green bonds), pension funds as investors, and Infrastructure Investment Trusts (INVITs) are available to mitigate this risk. These alternative financing options provide opportunities to secure funding for solar projects at favourable terms.
 Supportive policies	The government is encouraging cash-rich PSUs to set up renewable energy projects. NTPC has already commissioned a total of over ~2,120 MW of capacities, allocated ~5 GW, and tendered a further ~1 GW, under various schemes. It has a target to install ~35 GW of renewable energy capacities by fiscal 2028. Similarly, NHPC had allocated 2 GW of projects in 2020, while the Indian Railways has committed to 20 GW of solar power by 2030. In addition, state initiatives such as the Telangana State Renewable Energy Development Corporation Ltd (TSREDCO) aims to install solar panels on 500 school buildings, promoting decentralised electricity generation and mitigating power shedding issues in the state, are contributing to the sector's growth in various regions of India.

Source: Crisil Intelligence

Key challenges and risks

Volatility in module prices	Counterparty risk	Technology and input risk	Supply-demand mismatch	Infrastructure risk	Capital-intensive nature	Changing regulations
						

Source: Crisil Intelligence

Volatility in module prices

Accounting for 55-60% of capital cost, the price of solar modules is a crucial factor and can significantly impact project returns. Since India relies heavily on imported modules from China, the United States and southeast Asia, any volatility in global prices can impact Indian developers significantly. In some cases, module prices have started

increasing even as developers anticipated a dip in prices while placing tariff bids. Moreover, solar modules and inverters are imported in US dollars, increasing the risk of exchange rate fluctuations.

The GST rate for specified renewable energy devices and parts for their manufacture has also been increased from 5% to 12% starting September 30, 2021.

Counterparty risk

In the ever-evolving landscape of India's power sector, counterparty risk remains a critical concern for project developers, particularly in renewable energy (RE). The weak financial position of state discoms has led to payment delays and defaults, causing apprehension among developers. While efforts such as UDAY (Ujjwal Discom Assurance Yojana) initially provided relief to discoms, lack of operational improvements has reversed the progress, again burdening them with debt.

Strengthening PPAs to mitigate counterparty risk is crucial. This can be undertaken by including provisions for off-takers to provide letters of credit (LC) and factoring in interest on delayed payments by the buying entity. While the central government introduced a mandatory provision of LCs by state utilities prior to purchasing power from generators in August 2019, the impact was limited due to implementation challenges on the ground. Developers can also mitigate risk by diversifying their portfolios through multiple PPAs with different discoms, considering various parameters.

Technology and input risk

Generation in any solar project relies on various factors, including solar irradiance, the quality of solar modules, the design of the plant, and construction quality. However, module degradation is an important factor affecting performance. Power generation capacity declines irreversibly in all solar panels due to degradation. However, in cases where the modules are of poor quality or the installation and design are inadequate, the degradation and decline in generation can be higher.

Use of poor-quality solar modules, which do not comply with standards such as IEC 61215, 61730, ANSI/UL 1703 and CAN/CSA 61730, poses a significant threat to generation due to higher failure rates. Poor generation performance negatively impacts the equity internal rate of return (IRR) of solar projects.

However, there are instances where companies supplying cheaper and sub-standard modules are financially weak, leading to bankruptcies of large players in the past. In such cases, all warranties and guarantees become null and void. To mitigate the impact of both module underperformance and supplier bankruptcy, developers can purchase corresponding insurance. However, this would increase the operating costs for the project.

Offtake risk and supply-demand mismatch

Solar power generation relies entirely on the solar irradiance that reaches the Earth's surface. Solar energy generation is inherently variable and depends on weather conditions such as clouds, dust storms, fog and more. As a result, the availability of solar power on the grid can fluctuate. When combined with variable consumer demand, it can lead to a demand-supply mismatch, potentially causing blackouts. To manage this, discoms and state load dispatch centres are authorised to issue instructions to developers to curtail generation as needed. In the past, grid constraints in Rajasthan and Tamil Nadu resulted in significant back-down of grid power in 2016-17.

However, at times, discoms may use this provision excessively to curtail renewable energy generation when they choose not to procure power, causing losses for developers. Such incidents of back-down occur more frequently in certain states, raising concerns about the reliability of offtake agreements. To address this issue, developers have the option to seek relief by petitioning the respective state electricity regulatory authority.

Solar tariffs have historically been higher than the APPC of discoms. This creates offtake risk for older solar projects, particularly considering the sluggish growth in power demand and the weak financial health of discoms.

To mitigate offtake risks, it is crucial to strictly enforce the concepts of 'deemed generation' and 'must-run' benefits. Under these provisions, developers are appropriately compensated for power not supplied due to grid unavailability, and there are prohibitions on backing down solar power due to higher tariffs.

Infrastructure risk

The risk associated with infrastructure arises from the inadequate availability of land and transmission infrastructure for solar projects. Land acquisition poses challenges due to the small average land holdings in India. Hence, acquiring large tracts of land in a single location requires the involvement of multiple stakeholders, resulting in slower project execution.

Delays in constructing evacuation systems for solar projects also contribute to infrastructure risk. Right-of-way issues (RoW) may arise when constructing transmission lines to the nearest evacuation substation. Additionally, obtaining permissions and approvals from discoms, transmission companies, load dispatch centres and chief electrical inspectors for constructing evacuation systems can further delay projects.

Both land and transmission risks can be mitigated by setting up projects in solar parks, which offer land with clear titles and pre-existing transmission infrastructure for solar projects. Solar parks also provide additional facilities such as roads, water, drainage and electricity during construction, reducing the burden on project management and accelerating project completion.

Capital-intensive nature

Given the capital-intensive nature of solar power projects, the availability of funding at competitive rates is crucial. Funding risk can arise due to weak investor sentiment, a rising interest rate regime, currency depreciation or any policy changes that impact fundraising.

In the past, high domestic interest rates, lower re-payment tenure and inadequate and delayed capital subsidy have increased the minimum tariffs required to achieve healthy IRRs.

Changing regulations

Frequent policy changes and lack of clarity would also lead to hesitance among global investors to enter / fund the sector. This is highly detrimental to the sector's growth, which requires significant equity over the coming years to continue supporting additions. For example, the ALMM order, which applies to bids submitted after April 10, 2021, mandates the use of domestic modules for government/government-assisted projects/projects under government schemes and programmes. Government agencies, including the central and state governments, CPSUs, PSUs and central and state organisations, pose a challenge to developers when it comes to procuring modules. However, ALMM was in abeyance until March 2024 which had resulted in easing pressure on developers, however ALMM is applicable again from fiscal 2025 with relief for selected projects (i.e those in advanced stage of construction and few projects on case to case basis where modules had reached the site before 31st March 2024).

Additionally, the Supreme Court's order to lay transmission lines underground in the habitat areas of the great Indian bustard presents a significant challenge for developers. This requirement entails additional expenses for converting overhead lines, which could impact under-construction renewable projects in Rajasthan and Gujarat. The developers have requested the Supreme Court to reconsider the order and restrict the coverage to the bustard's priority habitat areas. The Supreme Court ultimately ordered the developers to install bird diverters by the July-end 2022.

Power Sale Agreement (PSA) delay

Auctioned solar projects, tendered by the Solar Energy Corporation of India (SECI) were delayed because of challenges in finding offtakers, with PSAs remaining unsigned. This was largely due to state distribution companies (discoms), which are the major offtakers, increasingly deferring the signing of the PSAs amid low tariffs of Rs 2.3-2.5 per unit. However, with the government's plan for stricter adherence to renewable purchase obligations (RPOs), higher penalty in case of non-compliance, and revision of tariff in manufacturing-linked tenders from Rs 2.92-2.54 per unit, quantum for PSA unsigned currently stands at 15.3 GW, as of March 2025.

2. Overview of battery energy storage and lithium-ion battery in India

Overview of BESS market

Overview of ESS industry

Energy storage systems (ESSs) are used to exchange power with the grid and can be categorised based on the energy form ultimately stored. There are several energy storage technologies, broadly classified as mechanical, thermal, electrochemical, electrical and chemical storage systems. Mechanical storage technologies include pumped storage hydro (PSH), compressed air energy storage (CAES) and flywheels. Thermal storage includes ice-based storage systems, hot and chilled water storage, molten salt storage, and rock storage technologies.

Within the electrochemical category, which includes technologies that use different chemical compounds to store electricity, the most common are lead-acid batteries, high-temperature sodium batteries, flow batteries, zinc-based batteries, and Li-ion batteries. Electrical storage systems also include super-capacitors and superconducting magnetic energy storage (SMES), while chemical storage typically uses electrolysis to produce hydrogen as a storage medium which can subsequently be converted to energy in various modes, including electricity (via fuel cells or engines), heat and transportation fuel (power-to-gas).

Types of ESS

Mechanical	• Pumped storage hydro • CAES • Flywheel
Electrochemical	• Lead-acid batteries, advanced lead acid (lead carbon, bipolar lead acid) • Lithium batteries • Flow batteries (ZnBr, Vn Redox) • Sodium batteries (NaS, Na-NiCl₂)
Thermal	• Sensible: Molten salt, chilled water • Latent: Ice storage, phase change materials • Thermochemical storage
Electrical	• Supercapacitors • Superconducting magnetic coil Energy Storage (SMES)
Chemical (hydrogen)	• Power-to-power (fuel cells, etc.) • Power-to-gas

Source: Ministry of New and Renewable Energy (MNRE), Crisil Intelligence

ESSs include battery energy storage system (BESS), concentrated solar power (CSP) thermal energy storage in molten salt form, CAES, mechanical energy storage system (MESS), etc. These systems help align the overall demand-supply dynamics, especially for renewable energy, which has a varied energy source. By storing excess energy during peak production times, a battery system ensures consistent power supply even during unavailability of natural resources such as sunlight or water.

Overview of BESS

A battery energy storage system (BESS) is an electrochemical device that charges (or collects energy) from the grid and discharges that energy at a later time to provide electricity or other grid services when needed.

The battery system comprises the battery pack, which connects multiple cells to appropriate voltage and capacity; the battery management system (BMS); and the battery thermal management system. The BMS protects the cells from harmful operation, in terms of voltage, temperature and current, to achieve reliable and safe operation and balances varying cell states-of-charge (SOCs) within a serial connection. The battery thermal management system controls the temperature of the cells according to their specifications in terms of absolute values and temperature gradients within the pack. The inverter system, also called power conversion system, converts the DC power to AC power while discharging and converts the AC power to DC power while charging the batteries.

Benefits of BESS

Benefits	Description
Grid stability	A BESS stores the excess energy that is produced during peak production time, which can be released during low demand period. This consistent flow of energy/power helps in proper functioning of the grid and allows to maintain an optimal balance of power/energy demand and supply.
Power backup	As BESS can store excess energy within itself, it helps in providing a reliable power backup in areas with frequent power outages or in facilities that require continuous power supply.
Potentially reduced carbon footprint	Deploying a BESS can also help in reducing carbon footprint by storing electricity, which can be used during high demand/ peak demand times.

Source: Crisil Intelligence

Types of BESS

Several battery chemistries are available or under investigation for grid-scale applications, including lithium-ion, lead acid, redox flow, nickel cadmium, and sodium sulphur. Battery chemistries differ in key technical characteristics and each battery has unique advantages and disadvantages.

Battery type	Round-trip efficiency	Life span	Advantages
Lithium-ion battery	88-90%	10-15 years	High specific energy and high load capabilities with power cell
Sodium-sulphur battery storage	75-85%	10-15 years	Low-cost potential: Inexpensive raw materials and sealed, no-maintenance requirement
Nickel-cadmium battery	60-80 %	10-15 years	Rugged, high cycle count with proper maintenance
Vanadium redox flow battery	70-75%	5-10 years	Long service, versatility
Lead-acid battery	70-75%	3-6 years	Low-cost and simple manufacture, low cost per watt-hour

Note: Round-trip efficiency, measured as a percentage, is a ratio of the energy discharged from the battery to the energy put into the battery

Source: CEA; handbook on energy storage system by ADB, December 2018; Crisil Intelligence

BESS capacity in India

As per National Electricity Plan 2023 (NEP 2023), capacity of 8,640 MW or 34,720 MWh is estimated to be added between 2022 and 2027 in the BESS segment. The highest capacity addition is expected in solar energy at ~38,890 MW.

The overall capacity addition is expected to be further augmented between 2027 and 2032, during which 38,564 MW or 201,500 MWh is estimated to be added in the BESS segment. The other segments that are also expected to have notable additions are solar, wind, and coal + lignite at 179,000 MW, 49,000 MW, and 25,480 MW, respectively.

Segment-wise capacity additions

Segments	Hydro	PSP	Solar*	Wind*	Biomass [#]	SHP [#]	Nuclear ^{\$}	Coal + lignite	BESS (MW/MWh)
Capacity addition required during 2022-27									
Under construction	10,462	2,700	92,580	25,000	2,318	352	6,300	25,580	-
Additional capacity requirement	-	-	38,990	7,537	0	0	-	-	8,680/ 34,720
Total capacity addition	10,462	2,700	131,570	32,537	2,318	352	6,300	25,580	8,680/ 34,720
Capacity addition required during 2027-32									
Under construction	1,032	80	-	-	2,500	250	2,400	1,320	
Additional capacity requirement	8,700	19,160	179,000	49,000	-	-	4,200	24,160	38,564/ 201,500
Total capacity addition	9,732	19,240	179,000	49,000	2,500	250	6,600	25,480	38,564/ 201,500

Note:

*As per MNRE, 117.58 GW of solar and wind capacity (under construction or bid out) was planned for 31.03.22, out of which 10.87 GW has been added during 2022-23 till 31.12.22.

Assumed Planned Capacity of Biomass and SHP during 2022-27 and 2027-32

\$ Nuclear projects of 8700 MW are under construction of which 6300 MW are considered to be commissioned during 2022-27 and 2400 MW are considered to be commissioned during 2027-32. Additionally Nuclear projects totaling to 7000 MW are in principle approval stage of which 4200 MW capacity is likely to yield benefit during the year 2027-32

Source: CEA, Crisil Intelligence

Recent developments in BESS segment in India

Development	Year	Description
Pace Digitek inaugurates 5 GWh BESS manufacturing facility in Bengaluru	2025	The facility was inaugurated by Union Minister for New and Renewable Energy Pralhad Joshi in Bidadi Industrial Area, Bengaluru. The minister cited it as among the largest and most advanced BESS facilities in the country. The facility has an annual manufacturing capacity of 5 GWh. The manufacturing unit comprises of a fully automated cell-to-pack assembly line with minimal human intervention.
IFC and IndiGrid have partnered to develop a 180 MW/360 MWh standalone battery energy storage system project in Gujarat	2025	International Finance Corp (IFC) committed Rs 4.6 billion (~\$55 million) in July 2025 to help develop a 180 MW/360 MWh standalone BESS in Gujarat with infrastructure fund IndiGrid. The project is claimed as one of India's largest planned battery storage installations, the project will bolster grid reliability by delivering peak power supply and renewable energy balancing

Exide Industries invests Rs 1 billion into Exide Energy Solutions Ltd (EESL)	2025	Exide Industries Ltd has injected an additional Rs 1 billion into its lithium-ion battery subsidiary, Exide Energy Solutions Ltd (EESL), bringing its total investment to ~Rs 37 billion. The move aims to support the development of EESL's 12 GWh lithium-ion cell manufacturing facility in Bengaluru, which is expected to start commercial production by the end of FY 2025-26. The facility, which will produce batteries for electric vehicles and stationary storage, is being set up with the help of SVOLT, a leading lithium-ion cell manufacturer. With this investment, Exide's stake in EESL remains at 100%, solidifying its commitment to expanding its presence in the lithium-ion battery market in India.
Maharashtra issues 2 GW / 4 GWh BESS Tender	2025	The Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) has issued a tender for the development of 2 GW/4 GWh of battery energy storage systems (BESS) across multiple locations in the state. The BESS will be used to support the grid during peak and off-peak hours, and must be capable of discharging for 2 hours and completing two charge-discharge cycles per day. The minimum bid size is 100 MW/200 MWh, and selected developers will build, own, and operate the BESS on a "build-own-operate" model. MSEDCL will provide land on a lease basis and enter into a battery energy storage purchase agreement (BESPA) with the successful bidders. The tender is open to both independent BESS developers and existing renewable energy generators, who can set up DC-coupled BESS co-located with their solar projects. The BESS can be charged from the co-located solar installation or from the grid, depending on the project configuration. The goal of the project is to utilize energy storage to support the state's power distribution system and enhance grid resilience
JSW Energy Secures 500 MWh SECI BESS Project in Kerala	2025	JSW Energy emerged as the winner to set up a 125 MW/500 MWh standalone BESS in Kerala in Solar Energy Corp of India's tender. JSW quoted a storage tariff of Rs 0.41 million (~\$5,057) per MW per month, and the project is eligible for VGF support up to RS 2.7 million per MWh (30% of capital cost). The battery system will connect to the Mylatti substation and must be commissioned within 15 months.
NTPC Green, Tata & Opera win NHPC's 500 MWh BESS Auction	2025	NHPC's Tranche-I tender for 125 MW/500 MWh standalone BESS in Kerala (issued Jan 2025) was won by NTPC Green Energy, Tata Power Renewable Energy, and Opera Energy. NTPC secured 80 MW/320 MWh across two sites while Tata Power got 30 MW/120 MWh and Opera 15 MW/60 MWh. All projects qualify for 30% capex VGF support (Rs 2.7 million/MWh) and must be commissioned within 18 months of contract signing
Gensol Wins Gujarat's 500 MWh Battery Storage Auction	2024	Gensol Engineering Ltd won a contract to develop a 250 MW/500 MWh standalone battery energy storage system (BESS) project in Gujarat, worth Rs 13.4 billion. The project, awarded by Gujarat Urja Vikas Nigam Ltd (GUVNL), will provide electricity to the state's power distribution companies on an "on-demand" basis, helping to stabilize the grid and extend the availability of renewable energy beyond solar hours.

Note: The above list and information is only indicative; Source: Industry, Crisil Intelligence

Regulatory and policy framework related to energy storage systems

Viability gap funding (VGF)

For establishment of BESS projects, costs are a challenge in the initial years because volumes are low. Therefore, VGF becomes essential for supporting initial uptake of BESS by consumers. To decrease the levelised cost of storage and make BESS a viable option, it has been proposed to offer VGF to an initial few BESS project. The VGF may be

up to 40% of the capital cost of the project, with the condition that the project must be commissioned within 18 to 24 months. With the proposed VGF, the levelised cost of storage can be managed at affordable levels. Considering the cost of energy for charging BESS, the total cost of energy from BESS would be comparable to the price in the power exchanges during the peak demand periods. Thus, with the proposed VGF, BESS would become a viable option for peak power management. The scheme is further expected to support development of the ecosystem for BESS and help reduce cost with subsequent large-scale expansion of BESS capacity.

The VGF for development of BESS Scheme, with an initial outlay of Rs.94 billion, including a budgetary support of Rs.37.6 billion for 13.2 GWh, signifies the government's commitment to sustainable energy solutions. As of July 2025, additional 30 GWh Battery Energy Storage Systems (BESS) is supported under Rs 54 billion Viability Gap Funding Scheme (VGF) of Ministry of Power. This is expected to draw Rs 330 billion in investments.

PLI scheme: National Programme on Advanced Chemistry Cell Battery Storage

In June 2021, the Ministry of Heavy Industries (MHI) launched a Production-Linked Incentive (PLI) scheme for the manufacturing of advanced chemistry cell (ACC) battery storage of 50 GWh capacity, which includes more than 10 GWh grid-scale battery storage. Out of the 50 GWh capacity, 40 GWh capacity has already been allotted through a competitive bidding process as of February 2025 (first round of bidding conducted in March 2022 where three beneficiary firms were allocated a total capacity of 30 GWh). The PLI-ACC scheme has an outlay of Rs 181 billion.

The PLI scheme would encourage investment in domestic manufacturing of cells for grid-scale applications, reduce dependency on imports, and reduce cost of BESS in the future.

High import duty protects domestic market

Manufacturers of power storage systems do not receive direct incentives. The high duties and taxes, set at 10%, imposed on imported power storage equipment act as a deterrent to cheaper imports. Additionally, the Goods and Services Tax (GST) rate for most power storage products is 18%. The customs duty for imported cobalt matt, which is used for further processing, stands at 5%. Although this can be viewed as a positive, its benefits will only be realised once domestic battery manufacturing capacities are established. However, in terms of raw materials, the government has categorised imported cobalt, nickel and lead used in the production of power storage equipment under the 5% import duty bracket.

Environmental compensation funds for battery waste management

The Ministry of Environment, Forest and Climate Change, Government of India, published the Battery Waste Management Rules, 2022, in August 2022, to ensure environmentally sound management of waste batteries. The rules cover all types of batteries, viz. electric vehicle (EV) batteries, portable batteries, automotive batteries and industrial batteries. The rules function based on the concept of Extended Producer Responsibility (EPR), where the producers (including importers) of batteries are responsible for collection and recycling/refurbishment of waste batteries and use of recovered materials from wastes into new batteries. EPR mandates that all waste batteries are to be collected and sent for recycling/refurbishment, and it prohibits disposal in landfills and incineration.

The rules promote setting up of new industries and entrepreneurship in collection and recycling/refurbishment of waste batteries. Mandating the minimum percentage of recovery of materials from waste batteries under the rules will bring new technologies and investment in the recycling and refurbishment industry and create new business opportunities. Prescribing the use of a certain amount of recycled materials in making new batteries will reduce the dependency on new raw materials and save natural resources.

Based on the 'polluter pays' principle, environmental compensation will be imposed for non-fulfilment of EPR targets, responsibilities and obligations set out in the rules. The funds collected under environmental compensation shall be utilised in collection and refurbishing or recycling of uncollected and non-recycled waste batteries.

Waiver of ISTS charges on transmission of electricity generated from solar, wind pumped storage plant and BESS

In June 2021, the Ministry of Power had extended the waiver of ISTS charges on transmission of electricity generated from solar and wind sources for projects commissioned up to June 30, 2025. Further, the order promoted the

development of solar, wind, Hydro Pumped Storage Plant (PSP) and Battery Energy Storage System (BESS), trading of RE in the power exchanges and seamless transmission of RE power across the states. The waiver of inter-state transmission charges on transmission of the electricity generated from solar and wind sources of energy that was available to solar and wind projects commissioned up to 30th June 2023 was extended till 30th June 2025. As of August 2025, the Inter-State Transmission System (ISTS) charges have been fully waived for BESS projects commissioning by June 2028

The waiver of Inter- State transmission system (ISTS) charges was allowed for Hydro Pumped Storage Plant (PSP) and Battery Energy Storage System (BESS) projects commissioned up till 30th June 2025. This promoted the Hydro Pumped Storage Plant (PSP) and Battery Energy Storage System (BESS) projects for meeting the balancing requirement of the grid caused due to large scale integration of Renewables in the Electricity Grid ie around 450 GW by 2030.

National Mission on Transformative Mobility and Battery Storage

The Government of India approved setting up of a National Mission on Transformative Mobility and Battery Storage in March 2021 to drive clean, connected, shared, sustainable and holistic mobility initiatives.

The mission will develop strategies for transformative mobility and Phased Manufacturing Programme (PMP) for EVs, EV components and batteries. PMP will focus on battery, raw materials, electrochemistry, end-of-life treatment, cell manufacturing, modules and battery packs. It would support setting up of large-scale, export-competitive integrated batteries and cell-manufacturing giga plants in India, as well as localise production across the entire EV value chain. The mission's objective is to coordinate with relevant central ministries/ departments and states in integrating various initiatives for mobility transformation in India.

Key growth drivers and trends of the BESS industry

Growth drivers	Description
Cost reduction	As per NEP 2023, the cost of BESS has been reducing significantly, making it one of the preferred options for deployment. As discussed above, BESS has the advantage of balancing the grid against load fluctuations, intermittency in generation, etc.
Government focus	The Government of India's increasing focus on the BESS industry is expected to positively impact the overall growth of BESS. The government has launched multiple initiatives, including the PLI scheme of ACC batteries, VGF for BESS, and waiver of ISTS charges for BESS projects. The Ministry of Power has also released the National Framework for Promoting Energy Storage Systems, to encourage the adoption of energy storage for ensuring an environmentally sustainable and financially viable power sector.
Increasing share of renewable energy in overall energy capacity	India has set a target to achieve 50% cumulative installed capacity from non-fossil fuel-based energy resources by 2030 and has pledged to reduce the emission intensity of its GDP by 45% by 2030, based on 2005 levels. This transition towards renewable energy is expected to aid the growth of BESS, which is crucial to store excess energy generated during peak production times and supply it during periods of high demand/ low production to ensure uninterrupted supply.

Source: CEA, Crisil Intelligence

Overview of lithium-ion battery industry in India

Lithium-ion (Li-ion) batteries are a type of BESS. They are suitable for both small- and large-scale electricity storage in power generation. Li-ion battery chemistries have the highest energy density and are considered safe. No memory or scheduled cycling is required to prolong battery life. Li-ion batteries are used in electronic devices such as cameras, calculators, laptop computers, and mobile phones, and are increasingly being used for electric mobility.

Benefits of Li-ion batteries

Benefits	Description
High specific energy	Li-ion batteries have high specific energy, which makes them a convenient choice for devices that require extended use without frequent charging.
Long cycle and extended shelf life; maintenance-free	Li-ion batteries have long cycles, ensuring endurance to numerous cycles of charge and discharge before significantly losing energy, which also ensures extended shelf life. Additionally, these batteries are comparatively maintenance-free, eliminating the need of periodic upkeep, which further enhances the convenience of the end-consumer.
High capacity and low internal resistance	With high capacity, Li-ion batteries can store significant amounts of energy, thereby supporting longer operational times for devices. Additionally, because of their low internal resistance, energy losses are also reduced, which translates into better efficiency.
Short charge times	Li-ion batteries have reasonably short charge times, which significantly reduces downtime for devices and vehicles. This attribute makes Li-ion batteries a convenient choice for portable devices such as laptops and mobile phones. The ability to quickly charge, combined with high capacity, enhances overall consumer convenience.

Source: Crisil Intelligence

Key growth drivers and trends of Li-ion battery industry

7.3.1.1 Falling cost of Li-ion batteries

Due to technological innovations and improved manufacturing capacity, Li-ion chemistries have experienced a steep decline in prices since inception.

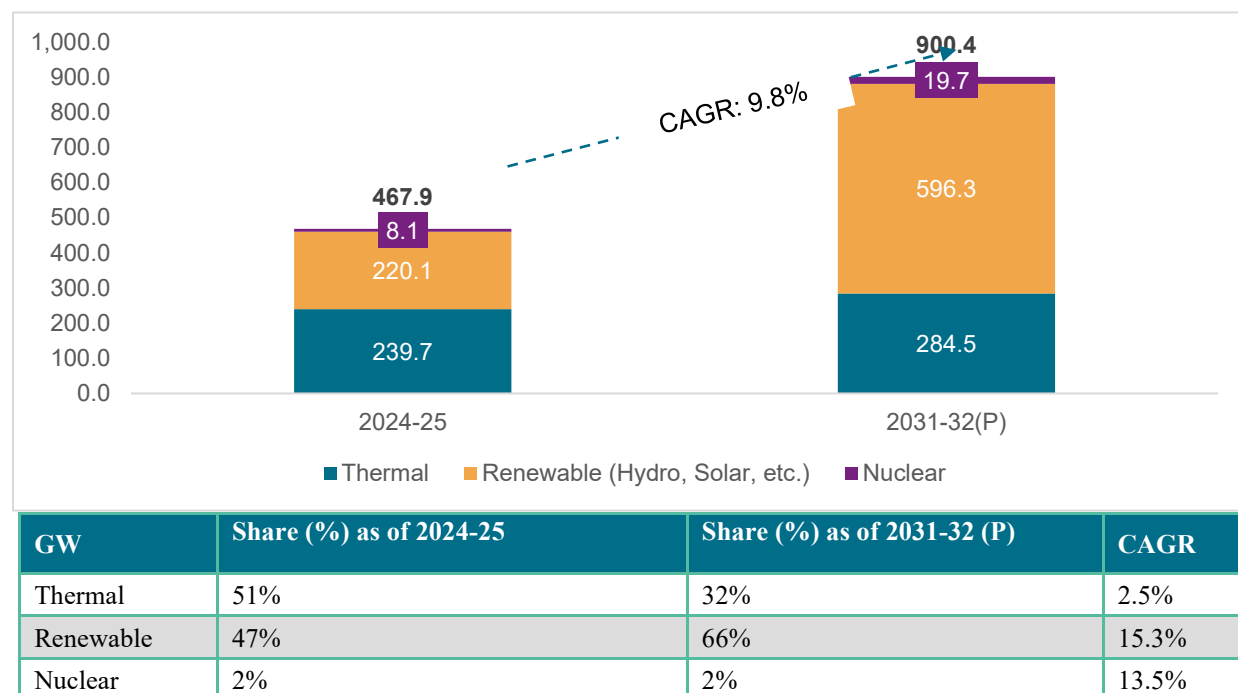
Additionally, the industry is continuously evolving and is in the process of improving capacity, power, size, reliability and safety for applications involving both EVs and power generation. This is expected to further aid the growth of the industry.

7.3.1.2 Increasing demand for EVs in India

In India, the increasing acceptance of EVs has led to a surge in their demand. EVs are a significant end-use case of the Li-ion battery. As consumers become more environmentally conscious, EV demand is expected to increase further. Additionally, the Government of India had launched the FAME scheme to encourage the adoption of EVs and build the associated charging infrastructure, which is expected to increase the share of EVs in overall automobile sales to ~30% in the country by 2030. This growing market will directly boost demand for Li-ion batteries.

7.3.1.3 Shift towards clean energy solutions

Total power generation capacity forecast (in GW) in India



Source: NEP, CEA, Crisil Intelligence

According to the National Energy Policy (NEP) plan, India's total power generation capacity is expected to grow at a CAGR of 9.8%. While the coal sector is anticipated to expand, albeit at a moderate pace, coal will play a crucial role in meeting peak demand due to its ability to rapidly ramp up generation. This is particularly important given the expected 5-7% CAGR growth in power demand and the intermittent nature of renewable energy sources. Furthermore, the stress on gas-based power plants, exacerbated by high gas prices and inadequate supply, has underscored the importance of coal in ensuring a reliable energy mix. As a result, coal retirements are expected to be negligible between fiscal 2026-2030.

With boost to rooftop solar and declining cost of renewable energy generation, the off-grid solar generation is expected to increase, reducing power demand from grid. By fiscal 2032, installed capacity is expected to be 49-50 GW resulting in diversion of 2-3% of the power demand being met directly at consumer site. Major conventional gencos have been moving towards a more RE dominated fuel mix to address the uncertainty arising out of the imminent phasing out of thermal power generation in the distant future.

India's transition towards renewable energy such as solar, wind and hydro has led to higher demand for BESS. As per NEP 2023, Lithium-ion batteries currently offer superior performance and dominate the global BESS market. Hence, this push towards green energy solutions such as solar and wind power necessitates efficient battery storage solutions, including Li-ion batteries.

7.3.1.4 Growing demand for consumer durable products

India's expanding per capita income has led to higher discretionary spending by households. This, along with increasing dependence on the online ecosystem, has resulted in an increase in consumer durable products in the country. Li-ion batteries are a convenient choice for consumer electronics products due to their properties such as high capacity, low internal resistance, and good coulombic efficiency.

Hence, increasing demand for consumer durable products is expected to positively influence demand for Li-ion batteries.

3. Competitive assessment of passive telecom infrastructure and maintenance providers in the telecom tower industry in India

In this section, Crisil has analysed some key passive telecom infrastructure and maintenance providers in the telecom tower industry in India. The list of competitive peers considered in this section is not exhaustive but indicative. Only players providing passive telecom infrastructure and related maintenance services within a comparable revenue range have been considered in this section.

Data has been obtained from publicly available sources, including annual reports available in the public domain/ filed with the Registrar of Companies (RoC), investor presentations of listed players, regulatory filings, rating rationales, and/or company websites and social media pages. Financials in the competitive section have been re-classified by Crisil, based on annual reports available in the public domain/ filed with the RoC and financial filings by the relevant players. Financial ratios used in this report may not match with the reported financial ratios by the players on account of Crisil's standardisation and re-classification.

Overview of key players

Company name	Year of incorporation	International Presence	Business overview
Bondada Engineering Limited	2012	N.A.	Bondada Engineering Ltd (BEL) has more than 12 years of experience and is engaged in the business of providing engineering, procurement and construction ("EPC") services and operations and maintenance ("O&M") service to players operating in telecom and solar energy industry.
Delta Electronics India Private Limited	2008	Yes*	Delta Electronics India Private Limited (DEIPL) is the wholly owned subsidiary of Delta Thailand and has more than 16 years of experience in India. The company is one of the providers of ICT infrastructure and a player of industrial automation, display solutions, UPS, DC fans and blowers, components, bio-medical, LED lighting, automotive electronics, and renewable energy products.
Dinesh Engineers Limited	2006	N.A.	Dinesh Engineers Limited (DEPL) has ~18 years of experience in providing passive communication infrastructure in India, including construction, laying and maintenance of optical fiber network, installation of telecommunication towers, operational and maintenance of optical fiber network and towers, leasing of own optical/dark fiber networks.
Exicom Tele-Systems Limited	1994**	Yes*	Exicom Tele-Systems Limited is headquartered in India and has ~30 years of experience. It is a power management solutions provider through two business verticals of critical power solutions business and electric vehicle supply equipment ("EV Charger(s)") solutions.
Pace Digitek Limited	2007	Yes	The company operates across telecom, energy and ICT business segments. The company manufactures DC supplies, SMPS, Power Interface Units, Batteries, AMF Panels, and Rectifier Modules etc. It also provides services as a EPC and O&M player

Company name	Year of incorporation	International Presence	Business overview
			for large turn key Telecom passive projects, Telecom site utilities, OFC network projects & ICT/Smart City projects. The company has a pan India presence and ~18 years of experience. The company also provides EPC services for solar plants and battery energy storage solutions. Pace Digitek's subsidiary Lineage Power Pvt Ltd manufactures, supply and installs integrated power management systems in telecom sites.

Note: The information provided above is only indicative and not an exhaustive list of business offerings of the respective companies

*As of fiscal 2024

**The Company was incorporated as "Himachal Exicom Communications Limited", a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh on May 9, 1994. The name of the Company was changed to "Exicom Tele-Systems Limited", pursuant to a resolution passed by our Shareholders on August 6, 2008, and a fresh certificate of incorporation consequent upon change of name issued by the RoC on August 11, 2008.

Source: Company websites, annual reports available in the public domain/ filed with the RoC, Crisil Intelligence

Key services and offerings

Company name	Passive telecom infrastructure			Energy	
	Tower construction	OFC related services ¹	Telecom tower related services ²	Energy storage solutions (ESS)	Other energy solutions ³
Bondada Engineering Limited	✓	✓	✓	✗	✓
Delta Electronics India Private Limited	✗	✗	✓	✓	✓
Dinesh Engineers Limited	✓	✓	✓	✗	✗
Exicom Tele-Systems Limited	✗	✗	✓	✓	✓
Pace Digitek Limited	✓	✓	✓	✓	✓

Note: The information provided above is only indicative and not an exhaustive list of business offerings of the respective companies

1 Includes services like OFC construction, OFC network roll-out, operation & maintenance of OFC network

2 Includes services related to telecom towers like maintenance services, power solutions, etc.

3 Includes EV related services, charging solutions, renewable energy EPC solutions, etc

The above list is an indicative and not an exhaustive representation of the company's offerings

Source: Company websites, Crisil Intelligence

Financial overview

Key financial parameters

Operating Income (FY22-25)

Company	Unit	FY22	FY23	FY24	FY25	CAGR (FY22-24)	CAGR (FY23-25)
Bondada Engineering Limited	Rs Mn	3,341.3	3,705.9	8,007.6	15,713.8	54.8%	105.9%
Delta Electronics India Private Limited	Rs Mn	15,799.8	23,226.8	32,168.9	N.A.	42.7%	N.A.
Dinesh Engineers Limited	Rs Mn	4,011.9	4,144.4	11,158.2	N.A.	66.8%	N.A.
Exicom Tele-Systems Limited	Rs Mn	8,436.1	7,086.8	10,271.82	8,676.1	10.3%	10.6%
Pace Digitek Limited	Rs Mn	4,057.0	5,042.7	24,349.5	24,389.1	145.0%	119.9%

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

N.A.: Not available

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

Exicom Tele-Systems Limited and Bondada Engineering Limited fiscal 2025 numbers are based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Operating Profit Before Depn. Interest and Taxes (OPBDIT) (FY22-25)

Company (Rs million)	Unit	FY22	FY23	FY24	FY25	CAGR (FY22-24)	CAGR (FY23-25)
Bondada Engineering Limited	Rs Mn	198.7	300.8	685.3	1,749.4	85.7%	141.2%
Delta Electronics India Private Limited	Rs Mn	543.4	1,622.1	3,275.4	N.A.	145.5%	N.A.
Dinesh Engineers Limited	Rs Mn	1,253.6	1,254.9	2,813.8	N.A.	49.8%	N.A.
Exicom Tele-Systems Limited	Rs Mn	688.7	531.9	1,036.1	-373.6	22.7%	n.m.
Pace Digitek Limited	Rs Mn	301.1	295.0	3,984.3	4,818.4	263.7%	304.2%

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

N.A.: Not available; n.m.; Not meaningful

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

Exicom Tele-Systems Limited and Bondada Engineering Limited fiscal 2025 numbers are based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Profit after tax (PAT) (FY22-25)

Company (Rs million)	Unit	FY22	FY23	FY24	FY25	CAGR	CAGR

						(FY22-24)	(FY23-25)
Bondada Engineering Limited	Rs Mn	101.4	167.4	447.3	1,153.7	110.0%	162.5%
Delta Electronics India Private Limited	Rs Mn	115.7	623.9	1,225.4	N.A.	225.4%	N.A.
Dinesh Engineers Limited	Rs Mn	678.7	664.9	1,743.0	N.A.	60.3%	N.A.
Exicom Tele-Systems Limited	Rs Mn	51.4	63.7	639.2	- 1,100.3	252.6%	n.m.
Pace Digitek Limited	Rs Mn	115.0	165.3	2,298.7	2,791.0	347.0%	310.9%

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

N.A.: Not available; n.m.; Not meaningful

Exicom Tele-Systems Limited and Bondada Engineering Limited fiscal 2025 numbers are based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Key ratios (Fiscal 2023)

Company	OPBDIT%	PAT%	ROCE%	ROE%	Gearing ratio
Bondada Engineering Limited	8.1	4.5	21.5	24.3	1.0
Delta Electronics India Private Limited	7.0	2.7	4.7	3.7	0.3
Dinesh Engineers Limited	30.3	16.0	21.2	16.3	0.2
Exicom Tele-Systems Limited	7.5	0.9	9.2	3.2	0.6
Pace Digitek Limited	5.8	3.3	7.6	5.6	0.6

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

Formulae used in the above table are as follows:

OPBDIT % = OPBDIT / operating income

PAT % = PAT / operating income

RoCE = Profit before interest and tax (PBIT) / [total debt + tangible net worth]

RoE = PAT / tangible net worth

Gearing Ratio= Total Debt/ Tangible Net worth

Exicom Tele-Systems Limited and Bondada Engineering Limited fiscal 2025 numbers are based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Key ratios (Fiscal 2024)

Company	OPBDIT%	PAT%	ROCE%	ROE%	Gearing ratio
Bondada Engineering Limited	8.6	5.6	35.0	36.1	0.4
Delta Electronics India Private Limited	10.2	3.8	7.9	5.2	0.2
Dinesh Engineers Limited	25.2	15.6	36.1	32.9	0.4

Company	OPBDIT%	PAT%	ROCE%	ROE%	Gearing ratio
Exicom Tele-Systems Limited	12.0	6.2	21.8	14.0	0.0
Pace Digitek Limited	16.4	9.4	55.4	54.7	0.9

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

Formulae used in the above table are as follows:

OPBDIT % = OPBDIT / operating income

PAT % = PAT / operating income

RoCE = Profit before interest and tax (PBIT) / [total debt + tangible net worth]

RoE = PAT / tangible net worth

Gearing Ratio= Total Debt/ Tangible Net worth

Exicom Tele-Systems Limited and Bondada Engineering Limited fiscal 2025 numbers are based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Key ratios (Fiscal 2025)

Company	OPBDIT%	PAT%	ROCE%	ROE%	Gearing ratio
Bondada Engineering Limited	11.1	7.3	41.3	36.7	0.4
Exicom Tele-Systems Limited	-4.31	-12.7	-5.8	-17.9	0.7
Pace Digitek Limited	19.8	11.4	42.0	32.5	0.1

Note: Numbers are reclassified as per Crisil standards and may not match company reported numbers

Financials for all the players are on consolidated basis except for Delta Electronics India Private Limited

Formulae used in the above table are as follows:

OPBDIT % = OPBDIT / operating income

PAT % = PAT / operating income

RoCE = Profit before interest and tax (PBIT) / [total debt + tangible net worth]

RoE = PAT / tangible net worth

Gearing Ratio= Total Debt/ Tangible Net worth

Exicom Tele-Systems Limited and Bondada Engineering Limited fiscal 2025 numbers are based on quarterly financials and may not be comparable with the previous years

Source: Company annual reports available in public domain/ filed with the RoC, Crisil Intelligence

Key observations

- Pace Digitek Limited provides end-to-end solutions with highly integrated operations in the telecom tower sector, ranging from manufacturing and supply of power management systems, project execution through engineering, procurement and construction (EPC) or turnkey mode, product life cycle management services, and operations and maintenance (O&M)

OUR BUSINESS

Unless otherwise stated, references in this section to “we”, “our” or “us” (including in the context of any financial information) are to our Company along with our Subsidiaries, on a consolidated basis.

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read ‘Forward-Looking Statements’ on page 35 for a discussion of the risks and uncertainties related to those statements. To obtain a complete understanding of our business, prospective investors should read this section in conjunction with ‘Risk Factors’, ‘Industry Overview’, ‘Financial Information’ and ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ on pages 36, 183, 361 and 467, respectively, as well as financial and other information contained in this Red Herring Prospectus as a whole. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Information included in this Red Herring Prospectus. For further information, see ‘Financial Information’ on page 361.

We have, in this Red Herring Prospectus, included various operational and financial performance indicators and certain non-GAAP measures, some of which may not be derived from our Restated Consolidated Financial Information and may not have been subjected to an audit or review by our Statutory Auditor, and each of which is a supplemental measure of our performance and liquidity and not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. Furthermore, such measures and indicators are not defined under Ind AS, IFRS, U.S. GAAP or other accounting standards, and therefore should not be viewed as substitutes for performance, liquidity or profitability measures under such accounting standards. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Information and other information relating to our business and operations included in this Red Herring Prospectus.

*Unless otherwise indicated, industry and market data used in this section has been derived from ‘Assessment of telecom tower, optical fibre EPC, solar energy and rural electrification markets in India’ by CRISIL (**CRISIL Report**) dated December 2024 as amended pursuant to an addendum to the report dated September 1, 2025. A copy of the CRISIL Report is available at <https://www.pacedigitek.com/pdf/DRHP-Documents/Industry-Report.pdf>. Unless otherwise indicated, all industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. See ‘Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data’ and ‘Risk Factors - This Red Herring Prospectus contains information from an industry report prepared by CRISIL which we have commissioned and paid for.’ on pages 32 and 76, respectively.*

Overview

We are a telecom infrastructure solution provider with a significant focus on the telecom infrastructure industry including telecom towers and optical fibre cables. We undertake manufacturing, installation and commissioning services of products at the site and undertake operation and maintenance of site including tower erection and optical fiber cable laying as turnkey solution. We generate our revenue from operations from 3 verticals i.e., telecommunications, energy, and information and communication technology (ICT). We have established operational presence in Maharashtra, Gujarat, Karnataka, Andhra Pradesh, Jammu and Kashmir, Uttarakhand, Assam, Manipur, Arunachal Pradesh, Mizoram, Nagaland, Sikkim among others along with operations in Myanmar and Africa. We commenced our operations as a electrical equipment product manufacturer for the telecom industry, and over the years we have expanded our Telecom Infra operations to comprise products, projects, operations & maintenance (O&M), and services and solutions. With the acquisition of the business of GE Power Electronics India and rights over the ‘Lineage Power’ brand in Fiscal 2014, we commenced ‘end to end’ manufacturing of direct current systems which are tailored for telecom tower companies and operators and has helped us enhance our market position in the energy

management solutions. From Fiscal 2023, we have backward integrated our supply of Telecom Infra products through our Subsidiary, Lineage Power Private Limited (**Lineage**) for the projects that we undertake. We have also been undertaking projects for solarization of telecom towers (which comprises supply of solar modules and along with lithium-ion batteries and the related equipments to telecom towers, installation, commissioning and O&M) since Fiscal 2013.

Our business can be broadly classified into the following verticals:

- **Telecom** - we provide end-to-end integrated solutions in the telecom tower infrastructure and optical fibre cables (**OFC**). Our telecom towers vertical is the mainstay of our business and under this vertical we are engaged in (i) product manufacturing of equipments for telecom industry; (ii) providing O&M services for telecom towers, and annual maintenance of OFC and other ancillary services; and (iii) undertaking turnkey projects including erection of towers network, and OFC network;
- **Energy** - (i) *projects*: we undertake solar energy projects on a 'build, own and operate' model, and solarization of telecom towers (which comprise supply of solar modules along with lithium-ion batteries and the related equipment to telecom towers, installation, commissioning and O&M). We also undertake BESS projects in either standalone mode or coupled with solar PV plants, floated through both 'build, own, and operate' and 'engineering, procurement, and construction' models. In addition, we undertake rural electrification projects under engineering, procurement and construction (**EPC**) model; and (ii) *products*: we manufacture and supply lithium-ion battery systems (which act as an energy storage device for the telecom towers) larger containerized, liquid-cooled battery energy storage systems, power conversion systems (PCS) coupled with energy management systems (EMS) software.
- **Information, communications and technology (ICT) sector** - we offer customized surveillance systems, smart classrooms and smart kiosks for agricultural initiatives to the ICT sector.

Over the years we have transitioned from a manufacturer of equipment for the telecom industry to a multi-disciplinary solutions provider and our current offerings across our business verticals can be categorized as follows:

- **Products** - We, through our Subsidiary i.e., Lineage, offer:
 - **Equipment for telecom towers**:
 - Power Management Solutions: Switch-mode Power Supply, Power Management Unit, Integrated Power Management Unit, Hybrid DC Power System.
 - Solar Solutions: Charge Control Unit.
 - Inverters, Power Boosters and AC-DC Converters.
 - Remote Management Systems
 - Lithium-ion battery systems.

We have recently through our Subsidiary i.e., Lineage, commenced manufacturing battery energy storage systems (**BESS**), which are systems that utilizes batteries to capture, store, and distribute electrical energy. These include: (i) liquid cooled battery energy storage containers; (ii) power conversion systems (PCS); and (iii) energy management system (EMS).

- **Services** - we provide:
 - Installation and commissioning, and equipment upgradation of Telecom Infra equipments;
 - Telecom Infra equipments AMC;

- Telecom Infra equipments life cycle management; and
 - O&M for the telecom sector (towers and OFC).
- **Projects** - we undertake turnkey projects in:
- Telecom - Tower and OFC;
 - Transmission, distribution and system integration;
 - ICT, specifically, surveillance and education;
 - Solarization of telecom towers; and
 - Solar panel installation.

We also undertake turnkey projects for renewable energy sector through our Subsidiary, Pace Renewable Energies Private Limited. We also undertake BESS projects in either standalone mode or coupled with solar PV plants, floated through both 'build, own, and operate' and 'engineering, procurement, and construction' models.

Set out below are our offerings across business verticals:



Set out in the table below is a bifurcation of our revenue from operations from our Restated Consolidated Financial Information across our business offerings in Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Particulars	Fiscal 2025			Fiscal 2024			Fiscal 2023		
	Amount (in ₹ million)	% of revenue from operations	Profit after tax (in ₹ million)	Amount (in ₹ million)	% of revenue from operations	Profit after tax (in ₹ million)	Amount (in ₹ million)	% of revenue from operations	Profit after tax (in ₹ million)
Telecom	22,978.56	94.22%	2,749.31	23,225.21	95.40%	2,241.78	4,122.25	81.92%	124.88
Energy	1,363.47	5.59%	38.55	891.80	3.66%	37.78	179.27	3.56%	12.97

Particulars	Fiscal 2025			Fiscal 2024			Fiscal 2023		
	Amount (in ₹ million)	% of revenue from operations	Profit after tax (in ₹ million)	Amount (in ₹ million)	% of revenue from operations	Profit after tax (in ₹ million)	Amount (in ₹ million)	% of revenue from operations	Profit after tax (in ₹ million)
ICT/Others*	45.77	0.19%	3.16	227.88	0.94%	19.15	730.44	14.52%	27.48
Total	24,387.80	100.00%	2,791.02	24,344.89	100.00%	2,298.71	5,031.96	100.00%	165.33

*Others include business consultation and fibre restoration and painting

We, through Lineage, have set up 2 manufacturing facilities in Bengaluru, Karnataka, one manufacturing facility located at Plot No. 27A, 1st Phase, Industrial Estate Mysore Road, Kumbalgodu, Bengaluru-560074, Karnataka for manufacturing Telecom Infra equipments (**Manufacturing Facility 1**) and the other for manufacturing facility located at Plot No. 30 A-1, 1st Phase, Industrial Estate, Mysore Road, Kumbalgodu, Bengaluru, Karnataka-560074 for manufacturing lithium ion battery systems (**Manufacturing Facility 2**). We, through Lineage, have recently commenced operations at our manufacturing facility at 73-P, Bidadi Industrial Area, 2nd Phase, Sector-2, Bidadi, Karnataka which is being used for manufacturing BESS (**Manufacturing Facility 3**). Our 3 manufacturing facilities are spread across 200,000 square feet. Our Manufacturing Facility 1 and Manufacturing Facility 2 are accredited with 14001:2015 (Environmental Management Systems), ISO/IEC 27001:2022 (Information Security Management System), ISO 20000:2018 (Service Management Systems), ISO 9001:2015 (Quality Management Systems). Additionally, we have obtained CMMi Level 3 certification.

We count leading companies in the telecom (including public and private sector companies), state owned optical fiber corporations, and state owned distribution companies, and ICT amongst our customers, and we have developed strong long-term relationships with our customers. Our top 10 customers have been associated with us for an average period of 10 years. Set out below are details of our top 3, top 5 and top 10 customers in Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Consolidated Financial Information.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Top 3 customers	21,697.60	88.97%	22,482.33	92.35%	3,512.47	69.80%
Top 5 customers	22,917.76	93.97%	23,404.12	96.14%	3,984.20	79.18%
Top 10 customers	23,473.90	96.25%	24,211.95	99.45%	4,637.27	92.16%

We are led by our Promoters i.e., who have more than two decades of cumulative experience and have inducted a strong Board of Directors who have expertise in their respective fields. Our Board of Directors is ably supported by a dedicated management team with a strong understanding of the industry that enables us to effectively identify and take advantage of market opportunities. We have also formulated a policy for orderly succession of directors on our Board.

Further, the experience of our senior management team has significantly contributed to our success and growth. As on July 31, 2025, we had 1,513 permanent employees, of whom 19 were part of our dedicated research and development team. As on July 31, 2025, our R&D team comprises 19 people with engineering background.

We have maintained a robust financial position and our revenue from operations increased from ₹ 5,031 million in Fiscal 2023 to ₹ 24,387.80 million in Fiscal 2025, at a CAGR of 120.15 %. Further, during the same period i.e. between Fiscal 2023 and Fiscal 2025, our profit after tax increased from ₹ 165.33 million to ₹ 2,791.02 million at a CAGR of 310.88%.

Competitive Strengths

We are an end-to-end solutions provider with integrated operations in the telecom tower sector

According to CRISIL, we provide end-to-end solutions with integrated operations in the telecom tower sector, ranging from manufacturing and supply of power management systems, project execution through EPC or turnkey mode, product life cycle management services, and O&M. Passive infrastructure forms the majority at around ~70% of the capital costs of setting up a wireless network in India and includes towers, shelters, power-regulation equipment, battery back-ups, diesel generator (DG) sets, etc. Between Fiscals 2020-2024, passive telecom infrastructure market size in India is estimated at ₹ 1,650-1,700 billion (cumulative) and is projected to increase moving forward to ~₹ 2,000-2,100 billion between fiscal 2023- 2028. Additionally, the optical fibre EPC industry which was estimated at ~ ₹ 84 billion as of Fiscal 2024, is expected to grow to ₹ 135-140 billion by Fiscal 2028, which is a CAGR of 12.5-13.5%. We commenced our business as a manufacturer of equipment product for the telecom tower sector. Over the years we have expanded the scope of our operations significantly and have transitioned to providing end-to-end offerings to telecom tower operators. Telecom power infrastructure companies have transformed significantly since 2G, adapting to the evolving needs of mobile networks by delivering intelligent and sustainable power solutions. Telecom power passive infrastructure has evolved from providing basic rectifiers and batteries to offering sophisticated, digitally controlled, and grid-integrated/ hybrid power solutions, keeping pace with advancements in telecom technology. We have evolved to meet the requirements of this change in telecom tower operations in terms of our passive equipment technology. While we undertake turnkey projects by setting up new sites, upgradation of old sites and project management across telecom tower and optical fibre business segments, we also have the ability to provide the component aspect of the turnkey project.

One of the key features of our business model is our holistic approach and our ability to cater to disparate aspects of the infrastructure requirements of the telecom tower and optical fibre sectors i.e. we have the ability to manufacture the products, provide product related services and turnkey projects.

Products – we, through Lineage, manufacture intelligent power interfacing and monitoring systems for telecom operators, network equipment vendors/OEMs, BOL operators, TSPs, enterprises, and industries. Our product division manufactures power management solutions such as SMPS, intelligent power management units (IPMU), integrated power management systems (IPMS), and battery and power cabinets. We also manufacture UPS, inverters, remote management systems, and solar solution optimisers.

Services – we offer comprehensive product life cycle management services comprising warranty and AMC services, O&M services, and upgradation services i.e. for product. We offer our products with warranty, and AMC for an average period ranging 1-5 years, which also contributes to our revenue.

Set out below is a break-up of our revenues from product, services and projects, based on our Restated Consolidated Financial Information.

(in ₹ million)

Particulars		Fiscal 2025		Fiscal 2024		Fiscal 2023	
Segment	Type	Amount (in ₹ million)	% of Revenue from Operations	Amount (in ₹ million)	% of Revenue from Operations	Amount (in ₹ million)	% of Revenue from Operations
Telecom	Power Supply	-	-	-	-	-	-
	Product*	294.64	1.21	733.40	3.01	1,029.92	20.47
	Project*	22,485.16	92.20	21,883.05	89.89	1,287.27	25.58
	Service**	199.41	0.82	608.77	2.50	1,805.07	35.87
	Sub Total (A)	22,979.21	94.22	23,225.21	95.40	4,122.25	81.92
Energy	Power Supply	86.75	0.36	92.08	0.38	88.90	1.77

Particulars		Fiscal 2025		Fiscal 2024		Fiscal 2023	
Segment	Type	Amount (in ₹ million)	% of Revenue from Operations	Amount (in ₹ million)	% of Revenue from Operations	Amount (in ₹ million)	% of Revenue from Operations
	Product	-	-	-	-	-	-
	Project	1,276.72	5.24	737.74	3.03	-	-
	Service	-	-	61.99	0.25	90.36	1.80
	Sub Total (B)	1,363.47	5.59	891.80	3.66	179.27	3.56
ICT / Others	Power Supply	-	-	-	-	-	-
	Product	-	-	132.64	0.54	211.36	4.20
	Project	0.29	0.00	29.08	0.12	301.04	5.98
	Service	44.69	0.18	51.50	0.21	211.43	4.20
	Sub Total (C)	44.99	0.18	213.22	0.87	723.83	14.38
	Sale of Scrap	0.13	0.00	14.66	0.06	6.61	0.13
	Sub Total (D)	0.13	0.00	14.66	0.06	6.61	0.13
Total (A+B+C+D)		24,387.80	100.00%	24,344.89	100.00%	5,031.96	100.00%

*Excludes inter-company transactions between by our Company and Lineage which have been eliminated due to consolidation aggregating ₹ 4,632.14 million, ₹ 7,242.64 million and ₹ 6.10 million during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Also see, 'Management's Discussion and Analysis of Financial Condition and Results of Operations -Fiscal 2024 compared to Fiscal 2023 - Reasons for substantial increase in revenue from operations, expenses and profits in Fiscal 2024 as compared to Fiscal 2023' on page 474.

**Excludes inter-company transactions between our Company and Lineage which have been eliminated due to consolidation aggregating ₹ nil, ₹ 104.70 million and ₹ 125.39 million during, Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

The table below sets out the geographical bifurcation of our revenue from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Fiscal 2025

Sr. No.	Particulars	Revenue from operations (in ₹ million)	As a % of total revenue
A.	Revenue from operations from within India		
1.	Maharashtra	11,143.35	45.69%
2.	Andhra Pradesh	2,612.80	10.71%
3.	Arunachal Pradesh	1,494.49	6.13%
4.	Gujarat	1,424.01	5.84%
5.	Jammu & Kashmir	1,332.61	5.46%
6.	Uttar Pradesh	1,088.67	4.46%
7.	Uttarakhand	1,084.23	4.45%
8.	Himachal Pradesh	671.21	2.75%
9.	Karnataka	182	0.75%
10.	Others*	3,329.40	13.65%
	Sub-total (A)	24,343.88	99.82%
B.	Revenue from operations from outside India		
1.	Myanmar	34.27	0.14%

Sr. No.	Particulars	Revenue from operations (in ₹ million)	As a % of total revenue
2.	Africa	9.65	0.04%
	Sub-total (B)	43.92	0.18%
Total (A+B)		24,387.80	100.00%

**Comprises Nagaland, Tripura, Tamil Nadu, Andaman & Nicobar Islands (UT), Ladakh (UT), Chhattisgarh, Manipur, Telangana, Bihar, Goa, Dadra & Nagar Haveli and Daman & Diu (UT), Meghalaya, Chandigarh (UT), Haryana, Kerala and Punjab*

Fiscal 2024

Sr. No.	Particulars	Revenue from operations (in ₹ million)	As a % of total revenue
A.	Revenue from operations from within India		
1.	Maharashtra	8,283.70	34.03%
2.	Andhra Pradesh	3,745.43	15.38%
3.	Arunachal Pradesh	1,774.59	7.29%
4.	Himachal Pradesh	1,746.05	7.17%
5.	Gujarat	1,652.26	6.79%
6.	Jammu & Kashmir	1,618.27	6.65%
7.	Uttarakhand	1,489.97	6.12%
8.	Nagaland	1,312.84	5.39%
9.	Tamil Nadu	1,173.60	4.82%
10.	Karnataka	797.09	3.27%
11.	Others*	1,457.24	5.99%
	Sub-total (A)	24,291.59	99.78%
B.	Revenue from operations from outside India		
1.	Myanmar	53.30	0.22%
	Sub-total (B)	53.30	0.22%
Total (A+B)		24,344.89	100.00%

**Comprises Andaman & Nicobar, Assam, Bihar, Chhattisgarh, Goa, Haryana, Jharkhand, Kerala, Punjab, Madhya Pradesh, Manipur, Odisha, Rajasthan, Telangana, Uttar Pradesh and West Bengal.*

Fiscal 2023

Sr. No.	Particulars	Revenue from operations (in ₹ million)	As a % of total revenue
A.	Revenue from operations from within India		
1.	Karnataka	3,243.75	64.46%
2.	Tamil Nadu	1,123.90	22.34%
3.	Andhra Pradesh	435.47	8.65%
4.	Bihar	117.18	2.33%
5.	Telangana	51.86	1.03%
6.	Jharkhand	17.21	0.34%
7.	Orissa	11.06	0.22%
8.	Uttar Pradesh	8.11	0.16%
9.	Assam	7.16	0.14%

Sr. No.	Particulars	Revenue from operations (in ₹ million)	As a % of total revenue
10.	Kerala	5.76	0.11%
11.	Others*	9.47	0.19%
	Sub-total (A)	4,977.31	98.91%
B.	Revenue from operations from outside India		
1.	Myanmar	54.65	1.09%
	Sub-total (B)	54.65	1.09%
Total		5,031.96	100.00%

*Comprises Delhi, Haryana, Gujarat, Maharashtra, Punjab and Rajasthan.

Diversified business segments with strong order book

Our initial operations were focused on manufacturing electrical equipments for the telecom industry, and over the years we have expanded our Telecom Infra operations to comprise products, projects, O&M, services and solutions. With the acquisition of the business of GE Power Electronics India and rights over the 'Lineage Power' brand in Fiscal 2014, we commenced 'end to end' manufacturing of direct current systems which are tailored for telecom tower companies and operators and has helped us enhance our market position in the energy management solutions. From Fiscal 2023, we have backward integrated our supply of Telecom Infra products through our Subsidiary, Lineage for the projects that we undertake. We have also been undertaking projects for solarization of telecom towers (which comprises supply of solar modules and the related equipment to telecom towers, installation, commissioning and O&M) since Fiscal 2013. In 2021, our Company also ventured into the ICT sector.

Our order book as on March 31, 2025, March 31, 2024 and March 31, 2023 across our business verticals, set out below, reflects the increasingly diversified nature of our business operations.

(in ₹ million)

Particulars		As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Telecom	Tower	34,751.04	56,647.00	83,780.00
	OFC	948.98	1,906.00	3,590.00
Sub-total (A)		35,700.02	58,553.00	87,370.00
Energy	BESS	24,700.00	-	-
	Solar Projects	24,024.35	100.00	86.00
	Rural electrification projects	1,911.80	3,193.00	3,400.00
Sub-total (B)		40,636.15	3,293.00	3,486.00
ICT (C)	ICT	-	1,567.00	670.00
Total (A+B+C)		76,336.17	63,413.00	91,526.00

Details pertain to outstanding orders.

*These orders are awarded and yet to be executed.

Set out below are the details of the break-up of orders received and orders which are pending execution:

Particulars	As on March 31, 2025(in ₹ million)	As on March 31, 2024 (in ₹ million)	As on March 31, 2023 (in ₹ million)
Fresh orders received during the Fiscal / period	38,528.45	1,567.00	80,598.00
Orders pending execution*	37,807.72	61,846.00	10,928.00

* Orders pending for execution include orders received in the fiscal and orders from previous fiscal.

Our diversified order book ensures reflects our demonstrable ability to cater to diverse business verticals and the strength of individual business verticals. While our telecom business vertical has traditionally been our largest source of revenue, the other business verticals are witnessing significant growth. Further, our order book is diverse not just across business verticals but across customers as well as depicted in the table below.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Public sector	74,636.17	97.77%	61,846.00	97.53%	90,856.00	99.27%
Private sector	1700.00	2.23%	1,567.01	2.47%	670.00	0.73%
Total	76,336.17	100.00%	63,413.00	100.00%	91,526.00	100.00%

The diversity of our businesses is one of the key aspects enabling us to consistently grow our revenue and our profitability.

Experienced Board of Directors buttressed by technically proficient and qualified senior management personnel and employees

The industry in which we operate is technically complex and R&D intensive and relies significantly on technically qualified resources. We have endeavoured to inculcate and instill a culture of R&D which is a key element of our growth. We have continued to strive towards continually developing our product range and have focus on augmenting our R&D capabilities by continuously developing our R&D team to improve our systems design and architecture and to expand our products and solutions suite. We have established an R&D centre located at our Registered and Corporate Office which houses our dedicated 19 member R&D team. We are led by a ‘technocrat’ Promoter i.e., Maddisetty Venugopal Rao who has over 20 years of experience in telecommunications and energy industry, and our experience Board of Directors is supported by qualified and technically proficient senior management.

Considering the technical complexities of our offerings we require employees with technical capabilities and experience. Accordingly, as on July 31, 2025, we have a workforce of 1,513 technically proficient employees who hold qualifications such as MSc, BSc, Ph.D and engineers who hold qualifications such as B. Tech, B.Eng. M. Tech etc. Our workforce of trained and skilled engineers facilitate us in meeting the constantly evolving demands of the industry. Further, our qualified in-house teams are responsible for different aspects of our projects starting from identifying prospective projects to the execution and maintenance of the projects. We are able to undertake a significant number of activities related to the project in-house, thereby ensuring timely completion and seamless delivery of our projects, reducing our reliance on third parties and decreasing our costs. Our integrated structure also allows us to greater control over project execution, allowing for more efficient budgeting and enables us to maximize returns from our business operations.

Advanced manufacturing facilities with production efficiency

We, through Lineage, have set up 2 manufacturing facilities in Bengaluru, Karnataka, one manufacturing facility located at Plot No. 27A, 1st Phase, Industrial Estate Mysore Road, Kumbalgodu, Bengaluru-560074, Karnataka for manufacturing Telecom Infra equipments (**Manufacturing Facility 1**) and the other for manufacturing facility located at Plot No. 30 A-1, 1st Phase, Industrial Estate, Mysore Road, Kumbalgodu, Bengaluru, Karnataka-560074 for manufacturing lithium ion battery systems (**Manufacturing Facility 2**). We, through Lineage, have recently commenced operations at our manufacturing facility at 73-P, Bidadi Industrial Area, 2nd Phase, Sector-2, Bidadi, Karnataka which is being used for manufacturing BESS (**Manufacturing Facility 3**). Our 3 manufacturing facilities are spread across 200,000 square feet. Our Manufacturing Facility 1 and Manufacturing Facility 2 are accredited with 14001:2015 (Environmental Management Systems), ISO/IEC 27001:2022 (Information Security Management System), ISO 20000:2018 (Service Management Systems), ISO 9001:2015 (Quality Management Systems). Additionally, we have obtained CMMi Level 3 certification.

Set out below are brief details of our manufacturing facilities including the installed capacity and capacity utilization:

Particulars as on and for the Fiscal	Capacity details	Manufacturing Facility 1 (Passive equipment)*
March 31, 2025	Installed capacity (in Nos.)	10,944.00
	Actual production (in Nos.)	4,234.00
	Capacity utilisation (%)	38.69%
March 31, 2024	Installed capacity (in Nos.)	10,944.00
	Actual production (in Nos.)	6,126.00
	Capacity utilisation (%)	55.98%
March 31, 2023	Installed capacity (in Nos.)	10,944.00
	Actual production (in Nos.)	7,109.00
	Capacity utilisation (%)	64.96%

*Manufacturing capacity towards assembling of transformers, cabinets, resistors, electronic capacitors, diodes & other electronic components, and cables.

Particulars as on and for the Fiscal	Capacity details	Manufacturing Facility 2 (Battery)
March 31, 2025	Installed capacity (in Nos.)	21,590.00
	Actual production (in Nos.)	3,308.00
	Capacity utilisation (%)	15.32%
March 31, 2024*	Installed capacity (in Nos.)	21,590.00
	Actual production (in Nos.)	6,026.00
	Capacity utilisation (%)	27.91%
March 31, 2023	Installed capacity (in Nos.)	Nil
	Actual production (in Nos.)	Nil
	Capacity utilisation (%)	Nil

*We commenced manufacturing lithium ion battery systems from August 2023

Track record of financial and operational performance with profitable growth

We have enjoyed consistent growth in our revenue from operations, EBITDA and profit after tax in the immediately 3 preceding Fiscals. Set out below are some of our key financial performance indicators, based on our Restated Consolidated Financial Information and operational performance indicators:

Sr No.	KPI	As of and for the Fiscal		
		2025	2024	2023
Financial KPI				
1.	Revenue from operations (₹ in millions)	24,387.80	24,344.89	5,031.96
2.	Growth in Revenue (%)	0.18%	383.81%	-
3.	Total income (₹ in millions)	24,622.02	24,602.66	5,146.59
4.	EBITDA (₹ in millions)	5,051.28	4,237.45	397.48
5.	Growth in EBITDA (%)	19.21%	966.08%	-
6.	EBITDA Margin (%)	20.71%	17.41%	7.90%
7.	Profit after tax (₹ in millions)	2,791.02	2,298.71	165.33
8.	Growth in PAT (%)	21.42%	1,290.38%	-

Sr No.	KPI	As of and for the Fiscal		
		2025	2024	2023
9.	EPS (in ₹)	16.30	14.63	0.95
10.	Growth in EPS %	11.39%	1,435.37%	-
11.	PAT Margin (%)	11.44%	9.44%	3.29%
12.	Growth in PAT Margin (%)	21.20%	187.38%	-
13.	Return on Equity (ROE) (%)	23.09%	40.53%	4.93%
14.	Debt To Equity Ratio (in times)	0.13	0.87	0.57
15.	Interest Coverage Ratio (in times)	4.33	3.74	2.84
16.	Return on Capital Employed (ROCE) (%)	37.89%	40.85%	6.99%
17.	Current Ratio (in times)	1.72	1.25	1.45
18.	Net Capital Turnover Ratio (in times)	2.52	6.03	2.43
19.	NAV / Book Value (in ₹)	71.24	35.97	21.22
20.	Return on Net Worth (%)	22.87%	40.67%	4.49%
Operational KPI				
21.	Telecom towers installed (in Nos.)	3,740	2,305	Nil
22.	OFC network laid (in kms)	6,619	11,827	197
23.	Telecom Power equipment (in Nos.)	4,234	6,126	7,109
24.	Lithium-Ion Battery Racks (in Nos.)	3,308	6,026	Nil

Note:

- a) Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Information.
- b) Growth in Revenue means growth in % terms of the current year as compared to the preceding year.
- c) Total Income means the sum of Revenue from Operations and Other Income
- d) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from continued operations and exceptional items.
- e) Growth in EBITDA % means growth in % terms of the current year as compared to the preceding year.
- f) EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- g) Profit after Tax refers to sum of total income less total expenses after considering the tax expense
- h) Growth in PAT % means growth in % terms of the current year as compared to the preceding year.
- i) EPS is Earnings per share calculated as Profit attributable to shareholders of the company divided by the weighted average number of shares outstanding during the period.
- j) Growth in EPS % means growth in % terms of the current year as compared to the preceding year
- k) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
- l) Growth in Net profit margin is calculated as growth in % terms of the current year as compared to the preceding year.
- m) Return on equity (RoE) is equal to profit for the year divided by the total equity and is expressed as a percentage.
- n) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
- o) The Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by interest expense.
- p) Return on Capital Employed (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as net worth and total debt less the ROU Assets, intangible assets and Net Deferred Tax (Assets).
- q) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- r) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
- s) NAV is defined as Net Asset Value and is calculated as Shareholders Net worth divided by the weighted average number of shares outstanding during the period.
- t) Return on Net Worth is calculated as Profit attributable to shareholders of the company divided by the net worth i.e., shareholders equity.
- u) Telecom towers installed (in Nos.) means the number of Telecom towers installed and commissioned during the respective period for the turnkey projects.

- v) *OFC network laid (in kms) is the length of Optical Fibre Cables laid in arial or underground for the turnkey projects.*
- w) *Telecom Power equipment (in Nos.) is the Number of Switch Mode Power Supply Unit and Charge Control Unit manufactured.*
- x) *Lithium-Ion Battery Racks (in Nos.) is the Number of Lithium-ion battery racks manufactured.*

Strategies

We, through Lineage, have recently commenced manufacturing battery energy storage system (BESS) and undertake projects and intend to grow these operations.

According to CRISIL, lithium ion batteries' have unique advantages such as high specific energy and high load capabilities with power cell and also provide the highest round-trip efficiency (*round-trip efficiency, measured as a percentage, is a ratio of the energy discharged from the battery to the energy put into the battery*) of 88-90%. We offer lithium-ion battery systems as part of our Telecom Infra equipment products offerings, and we intend to focus on improving our market share in the Telecom Infra equipments market, in particular lithium-ion battery systems. As part of our products offerings, we also intend to manufacture and offer, through our subsidiary Lineage, BESS which will comprise liquid cooled containerized battery systems with standard 12 racks and power conversion systems (PCS) along with the battery management system (BMS) and energy management system (EMS). We intend to manufacture our BESS products in compliance with global standards and we have already obtained UL 1973 (safety standards), UL 1642 (specific standard for lithium-ion batteries) and UL 9540A (fire safety standard), IEC62619:2022 certification.

We, through Lineage, have recently commenced operations at our manufacturing facility for manufacturing BESS at 73-P, Bidadi Industrial Area, 2nd Phase, Sector-2, Bidadi, Karnataka. This manufacturing facility is expected to deliver 2.5GWh of BESS per annum, extendable to another 2.5GWh. We also intend to provide BESS products in line with the Government of India's drive towards enhancing renewable energy capacity. According to CRISIL, as per National Energy Policy 2023 (NEP 2023), capacity of 8,640 MW or 34,720 MWh is estimated to be added between 2022 and 2027 in the BESS segment. The highest capacity addition is expected in solar energy at ~38,890 MW. The overall capacity addition is expected to be further augmented between 2027 and 2032, during which 38,564 MW or 201,500 MWh is estimated to be added in the BESS segment. India's installed generation capacity, which stood at 356 GW at the end of Fiscal 2019, is expected to reach ~480 GW in Fiscal 2025 on the back of healthy renewable capacity additions (including solar, wind, hybrid and other renewable sources), even as additions in coal and other fuels have declined. In Fiscal 2025, renewables are expected to account for ~36% of the installed capacity, up from ~22% in Fiscal 2019. Meanwhile, coal-based capacity is expected to taper to ~45%. By Fiscal 2029, renewable energy capacity is expected to account for 50- 55% of the installed capacity of 700-710 GW. India's transition towards renewable energy such as solar, wind and hydro has led to higher demand for BESS. As per NEP 2023, Lithium-ion batteries currently offer superior performance and dominate the global BESS market. Hence, this push towards green energy solutions such as solar and wind power necessitates efficient battery storage solutions, including Li-ion batteries.

Towards this strategy, we intend to invest up to ₹ 6,300.00 million from the Net Proceeds towards investment in our Subsidiary, Pace Renewable Energies Private Limited, for setting up BESS for a project awarded by the Maharashtra State Electricity Distribution Company Limited. For more details, see '*Objects of the Issue - Investment in our Subsidiary, Pace Renewable Energies Private Limited, for setting up battery energy storage systems for a project awarded by the Maharashtra State Electricity Distribution Company Limited*' on page 143.

About BESS

BESS is a system that utilizes batteries to capture, store, and distribute electrical energy. It allows for the storage of excess energy generated from renewable sources, such as solar and wind, and releases it when demand is high, or supply is low. BESS can be employed in various settings, including residential homes, commercial buildings, and utility-scale applications, and operates through a systematic process of charging and discharging to manage electrical energy efficiently. The charging process begins with sourcing electricity from various origins, including the power grid, renewable energy sources like solar panels and wind turbines, or directly from power plants. These containerized

battery system of 5.016 MWh lithium iron phosphate (LFP) systems include: (i) containerized design: includes a liquid cooling system and modular rack for easy installation and maintenance; (ii) lifespan: 8,000 charging cycles ensure long-term reliability; (iii) efficiency: approximately 93.5% round-trip efficiency minimizes energy losses; (iv) wide operating range: functions effectively between -20°C to 55°C; and (v) safety features: equipped with an auxiliary power distribution system, protective alarms, fire suppression, thermal management, and dehumidification features. Each battery container has 12 racks of 418KWh each.

Power conversion system (PCS): Our PCS are rated at 2.5 MW with a voltage of 690V. This system operates within a frequency range of 47.5 Hz to 52 Hz, achieving a remarkable round-trip efficiency (RTE) greater than 96% and maximum efficiency exceeding 98%, ensuring efficient performance in energy management applications. Its key features comprise: (i) ramp rate support: positive and negative ramp rates facilitate smooth energy storage operation; (ii) wide operating temperature range: functions effectively between -25°C to 50°C, to address diverse environmental conditions; (iii) black start capability: enables system restoration in the event of a power outage; (iv) multiple protection systems: ensures operational safety and reliability; and (v) operational flexibility: capable of functioning in both standalone and grid-connected modes.

Energy Management Systems (EMS): Our EMS integrate software and hardware interfaces, featuring a dedicated controller specifically developed for energy storage systems. These are engineered to manage the control, protection, communication, and scheduling of ESS subsystems, including the BMS, HMI, HVAC, fire suppression, electricity meter.

BESS Services: We also offer comprehensive product life cycle management services comprising warranty and AMC services, O&M services, and upgradation services i.e. for product. Our products come with warranty and AMC package which contributes additional revenue to the Company. We enter into long term contracts with customers for these orders ranging from 1-10 years.

Deepen our existing products and services offerings and expand our geographical reach

We intend to deepen our services for operations and maintenance of Telecom Towers and OFC particularly in geographies such as Maharashtra, Gujarat, Karnataka, North East and Jammu & Kashmir. We also intend to enter into projects for supply and installation of solar pumps. We have been recently awarded a project design, manufacture, supply, transport, installation, testing and commissioning of off-grid solar photovoltaic water pumping systems. We also intend to target setting up a network of towers for the 'KAVACH Project'. KAVACH is an automatic train protection (ATP) system indigenously developed by Indian Railways through Research Designs & Standards Organization (RDSO). Initially, it was known by the name Train Collision Avoidance System (TCAS) Kavach was adopted by Ministry of Railways as the National ATP System in July 2020. We intend to submit bids to participate in the 'KAVACH Project'. We also intend to expand our geographical reach by offering equipment for Telecom Towers and battery equipments in Kenya and other African markets, with Lineage supplying the Telecom Infra equipment and BESS.

Further, we also intend to focus on improving our revenue from the energy sector. We have been recently awarded a solar power project to generate, develop and supply electricity, with capacity (i.e., the installed capacity of the solar power project and energy storage systems to be set up of 100MW for the solar power project and 50 MW/ 100MWh for the energy storage systems), on a build own and operate model for a period of 25 years. We also intend to backward integrate the manufacturing of solar modules and solar cells.

Business Operations

Set out below are our key products and services offerings:

A. Products



i) Power Management Solution:

Switch Mode Power Supply (SMPS) system: The SMPS system is built around a switch mode rectifier and is designed to operate with single or three-phase AC input. The SMPS system has a hot-pluggable, fan-cooled rectifier and battery charger. Its digital controller enables seamless integration into direct current (DC) power systems, aiding parallel operation. Furthermore, the inclusion of digital communication via controller area network (CAN) bus between the rectifier and the controller enhances monitoring and control capabilities, improves the power management technology.

Hybrid DC Power System (HDCPS): HDCPS utilizes technology, including switch mode rectifier, solar charge control module, and pulsar plus controller. This system offers flexibility of use across various power applications, delivering an output power of 36kW over a voltage range of 42 to 58Vdc. The HDCPS also combines renewable energy sources, such as solar, with traditional power sources and backup generators to provide power supply for telecom applications.

DC Power System: This DC Power system features a switch mode rectifier and is a single/three phase AC input, hot-pluggable, fan-cooled rectifier and battery charger for stand-alone use or for working in parallel as part of a DC power system equipped with digital controller. The SMPS rectifier system can be applied in indoor and outdoor environments and includes telecommunication equipment power, wireless cell site power systems, central office power plants, base station power plants, and lithium battery chargers. This compact system comprises 5 rectifiers.

ii) Solar Solutions:

Charge Control Unit (CCU): CCU are designed to address wide line fluctuations and extreme climatic conditions prevailing typically in rural/ semi-urban areas (“B” & “C” telecom circles) of India. CCU’s can work in temperature of over +70°C and manages the charging and discharging of batteries within the system, optimizing battery performance and preventing overcharging or deep discharging. CCU systems are designed as a hybrid type with MPPT + SMPS system based on rectifier & MPPT modules with high efficacy, single phase AC input & 4-channel solar input hot-pluggable, fan-cooled MPPT, rectifier, and battery charger for stand-alone use or for working in parallel as part of a DC power system equipped with advanced digital controller. The constant output power (15000W i.e. 300A at 50V) characteristic supplies the specified power over the full output voltage range (48 to 58Vdc). There is a digital communication (CAN bus) between modules and the controller. The compact system has 6+1 rectifiers & 4 MPPT accommodated in a small footprint. It also showcases an Optimal Power Performance resulting in high efficiency and precision.

- iii) Inverter: Modern power systems are equipped with Inverters to convert DC to alternative current (AC). Inverters play a crucial role in the operation of AC-powered components and products in the telecom industry. The inverters from Lineage utilizes sine wave technology to deliver uninterrupted power. It supports a DC input voltage range of 42V to 58V and features a bypass input voltage of 160Vac to 264Vac at 50Hz, ensuring stable operation under various conditions. With a power factor of 0.8 for resistive loads, it achieves a minimum DC-AC efficiency of 88% at full load, automatically switching between DC input and the power grid during failures.
- iv) Remote Monitoring System (RMS): RMS from Lineage captures infrastructure data and communicates with a tower operating center via general packet radio service (GPRS), allowing remote monitoring of alarms and site performance. Designed for global use, the RMS provides flexibility and expandability while enabling telecom operators to assess equipment’s health and performance, ensuring effective responses to potential issues.
- v) Lithium-Ion Battery systems: The Li-Ion Batteries from Lineage are compact and efficient energy solution for telecom applications, featuring a wide operating temperature range. Each 100Ah module is tested and equipped with an advanced battery management system (BMS) that monitors voltage, current, temperature, state of charge (SOC), and state of health (SOH). It includes a Modbus RS485 port for external communication and data monitoring, along with protection functions against over-discharging, overcharging, and over-current. It has a lifespan of over 10 years and operates without any maintenance.
- vi) Battery and Power Cabinets: Battery Cabinets serve as indispensable power hubs within the telecom industry. It ensures continuous and reliable energy sources for critical infrastructure. These cabinets are home to advanced energy storage solutions.
- vii) BESS: We have recently through our Subsidiary i.e., Lineage, commenced manufacturing battery energy storage systems (BESS), which are systems that utilizes batteries to capture, store, and distribute electrical energy. These include: (i) liquid cooled battery energy storage containers; (ii) power conversion systems (PCS); and (iii) energy management system (EMS).

B. Services

We offer comprehensive product life cycle management services comprising warranty and AMC services, O&M services, and upgradation services i.e. for product. Our products come with warranty and AMC package which contributes additional revenue to the Company. We enter into long term contract with customers for these orders ranging from 1-10 years. Our various service offerings comprise:

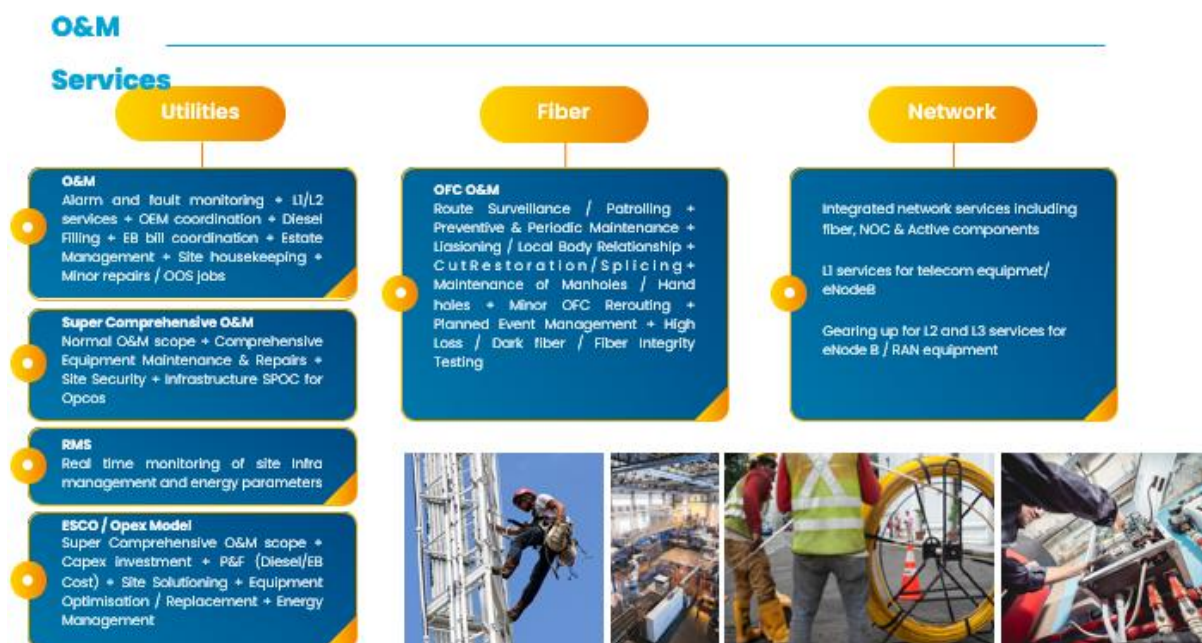


Product Services

Offering a comprehensive range of telecom products and solution services for all network requirements. Our wide range of offerings integrate the latest technology, customized to unique requirements of last mile connectivity catering to all aspects of customer needs – indoor or outdoor, point-to-point or point-to- multi point, front-haul, or back-haul creating an efficient network infra.

Operation and Maintenance Services

We offer operations and maintenance (**O&M**) services for power electronics and telecom products, catering to network requirements. The O&M services encompass a wide range of solutions, including alarm and fault monitoring, Level 1 and Level 2 support, OEM coordination, diesel filling, electricity bill coordination, estate management, site housekeeping, and minor repairs. This ensures optimal performance and reliability of telecom systems while addressing all aspects of customer needs. Additionally, our services extend to comprehensive equipment maintenance and repairs, site security, and serving as a single point of contact (**SPOC**) for operating companies (**OpCos**).



Operations and Maintenance (O&M) support

In addition to installation services, we offer extensive O&M support for both newly installed and existing optical fiber networks. The O&M support comprises:

- **Regular Maintenance:** Routine inspections and maintenance activities are conducted to ensure optimal network performance. This approach helps identify potential issues before they escalate into significant problems.
- **Fault Monitoring:** Utilizing advanced monitoring systems, we provide real-time fault detection capabilities. This allows for immediate identification of issues within the network, enabling swift responses that minimize downtime.
- **Repair Services:** In the event of damage or outages, we offer rapid repair services to restore connectivity promptly. Their skilled technicians are trained to handle various types of repairs efficiently, ensuring minimal service disruption.

C. Projects

i) Telecom

We develop a comprehensive solution for tower erection projects with focus on the installation of tower and related equipments. These projects also include maintenance of towers and equipments including O&M for 5-10 years.

Tower

Our turnkey projects for telecom tower construction follow a streamlined process. It begins with site survey and identification, assessing factors such as terrain, accessibility, structural stability, and regulatory compliance. Once a site is confirmed, the company moves to design and engineering, developing structural designs that meet safety standards and optimize space for telecom equipment. Thereafter, we engage in procurement, sourcing high-quality materials essential for construction. The construction and erection phase involves skilled technicians assembling tower components while adhering to safety standards to ensure stability and integrity. Following erection, equipment installation and integration is carried out which includes installation and integration of antennas, transceivers, base stations, and power supply systems for seamless connectivity. Effective cable routes and management ensure reliable

signal transmission. Once installation is complete, testing and commissioning verify the system's functionality through signal strength tests and network assessments.

OFC laying solutions

We provide installation and maintenance of OFC to address requirements of high-speed data transmission in telecommunications and various other sectors. The process begins with thorough planning and design tailored to the unique requirements of each project. We collaborate with clients to assess their connectivity needs and develop customized solutions that optimize network performance. Thereafter, we carry out aerial or underground laying of OFC. The aerial installation of OFC involves suspending OFC between utility poles using messenger wires. The underground installation trenching and ducting methods wherein trenches are excavated, or existing conduits are used, to protect the OFC from moisture and physical damage. After installation, we conduct comprehensive testing to validate the performance of the OFC network before handing the OFC to the customer.

ii) Energy

We develop solar projects which includes solarization of telecom towers and installation of canal rooftop solar panel, as a developer. We also undertake design, supply, erection & commissioning of substations ratings up to 400 kV. We also install solar power generating systems and we operate and maintain hybrid solar solution for the contracted period for telecom sites. We install at, and operate passive power infrastructure from, the telecom site to deploy solar power generating system and also maintain the hybrid solar solution. In addition, we undertake turnkey projects and scope oriented projects for transmission and sub-transmission lines. We also undertake turnkey projects for power distribution companies. The scope of distribution system involves supply, installation, testing and commissioning work of 33 kV and 11 kV substations, distribution lines, distribution transformers and metering. We also provide testing and commissioning services for substations and transmission lines of up to 400kV class voltages.

Set out below are the images of our Manufacturing Facility 1





(11 Line Manual Conveyor)



(Chiller)

Set out below are the images of our Manufacturing Facility 2





(Production floor)

Set out below are the images of our Manufacturing Facility 3:





Cost of Raw Materials

The geographical bifurcation of cost of raw materials consumed during Fiscal 2025, Fiscal 2024 and Fiscal 2023 is set out below:

Fiscal 2025

Sr. No.	State	Amount (in ₹ million)	% of the cost of raw materials consumed
1.	Maharashtra	1,919.13	26.73%
2.	Arunachal Pradesh	1,432.06	19.94%
3.	Karnataka	1,198.11	16.69%
4.	Andhra Pradesh	808.69	11.26%
5.	Gujarat	543.66	7.57%
6.	Uttarakhand	327.62	4.56%
7.	Himachal Pradesh	234.65	3.27%
8.	Manipur	158.94	2.21%
9.	Nagaland	151.56	2.11%
10.	Andaman Nicobar	132.10	1.84%
11.	Others*	274.05	3.82%
Total		7,180.57	100%

*Comprises Bihar, Assam, West Bengal, Jharkhand, Orrisa, Madhya Pradesh, Kerela, Tamil Nadu, Telangana, Haryana, Rajasthan, Punjab and Goa.

Fiscal 2024

Sr. No.	State	Amount (in ₹ million)	% of the cost of raw materials consumed
1.	Andhra Pradesh	3,865.77	24.80%
2.	Maharashtra	3,572.79	22.92%
3.	Arunachal Pradesh	2,411.36	15.47%
4.	Karnataka	1,561.32	10.02%
5.	Himachal Pradesh	1,188.49	7.62%
6.	Gujarat	1,098.55	7.05%
7.	Uttarakhand	926.46	5.94%
8.	Nagaland	567.07	3.64%
9.	Andaman Nicobar	170.14	1.09%
10.	Manipur	85.45	0.55%
11.	Others*	142.10	0.91%
Total		15,589.49	100%

*Comprises Assam, Bihar, Delhi, Goa, Haryana, Madhya Pradesh, Kerala, Odisha, Punjab, West Bengal, Telangana, Tamil Nadu and Uttar Pradesh.

Fiscal 2023

Sr. No.	State	Amount (in ₹ million)	% of the cost of raw materials consumed
1.	Karnataka	952.85	99.00%
2.	Assam	2.66	0.28%

Sr. No.	State	Amount (in ₹ million)	% of the cost of raw materials consumed
3.	Myanmar	2.65	0.28%
4.	Odisha	0.72	0.07%
5.	Tamil Nadu	0.55	0.06%
6.	Telangana	0.54	0.06%
7.	Andhra Pradesh	0.51	0.05%
8.	Uttar Pradesh	0.42	0.04%
9.	West Bengal	0.35	0.04%
10.	Haryana	0.33	0.03%
11.	Others*	0.91	0.09%
Total		962.48	100%

*Comprises Bihar, Gujarat, Jharkhand, Kerala, Madhya Pradesh, Maharashtra, Punjab and Rajasthan.

Customers

We count leading companies in the telecom (including public and private sector companies), state owned optical fiber corporations, and state owned distribution companies, and ICT amongst our customers, and we have developed strong long-term relationships with our customers. Our top 10 customers have been associated with us for an average period of 10 years.

Our top 3, top 5 and top 10 customers in Fiscal 2025, Fiscal 2024 and Fiscal 2023 have been with the Company for an average duration as set out below:

Particulars	Customers	Average duration
Fiscal 2025	Top 3 Customer	5 years 9 months
	Top 5 Customer	4 years 2 months
	Top 10 Customer	4 years 1 months
Fiscal 2024	Top 3 Customer	5 years 1 months
	Top 5 Customer	3 years 3 months
	Top 10 Customer	4 years 6 months
Fiscal 2023	Top 3 Customer	3 years 2 months
	Top 5 Customer	2 years 5 months
	Top 10 Customer	3 years 3 months

Set out below is our revenue from Public Sector Customers and non-Public Sector Customers:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Public Sector Customers	23,454.19	96.00%	22,416.31	92.08%	1,717.83	34.14%
Non-Public Sector Customers	933.62	4.00%	1,928.58	7.92%	3,314.13	65.86%
Total	24,387.80	100.00%	24,344.89	100.00%	5,031.96	100.00%

Information technology

Technology is at the core of our operations, driving efficiency, innovation, and growth. We have implemented an enterprise resource planning (**ERP**) system that integrates and covers all aspects of our organization including our manufacturing facilities, ensuring a unified and coordinated approach to business processes. We also utilise technologies such as Gemini AI into our workspace, enabling data analysis, automation of tasks, and enhanced decision-making capabilities. The adoption of no-code applications also assists our teams to create customized solutions without the need for extensive coding knowledge, fostering a culture of creativity and development. Our IT team has also developed applications tailored for operational and maintenance activities, optimizing workflows and improving productivity. Additionally, we have implemented an app script that facilitates collaboration between the HR and IT departments, promoting efficient communication and task management. To ensure the security and integrity of our data, we have implemented multiple measures, including a secure Google Cloud service for secondary backup and our own internal server as the primary storage unit. We have also established a dedicated secure server for the R&D department, for data protection for internal applications developed. We have also launched an application 'Pace Digitek' which is available to our employees for monitoring our business operations.

Health, safety and environment

We consider the health, safety and well-being of our employees and concern for the environment as the cornerstones of our policy and practices for a sustainable and profitable growth. We are committed to complying with applicable legislations and regulations. In addition, to the extent practicable, we continuously aim to improve our performance in the areas of safety and environment, through appropriate measures to limit and where possible prevent risks and damages to personnel, property and environment. For details of our environmental approvals please see '*Government and Other Approvals*' on page 491.

Quality Assurance and Quality Control

Our Manufacturing Facility 1 and Manufacturing Facility 2 are accredited with 14001:2015 (Environmental Management Systems), ISO/IEC 27001:2022 (Information Security Management System), ISO 20000:2018 (Service Management Systems), ISO 9001:2015 (Quality Management Systems). Additionally, we have obtained CMMi Level 3 certification. Our quality assurance (**QA**) department has put in place standard operating procedures (**SOP**) for our manufacturing operations. The QA department is responsible for ensuring that our manufacturing operations are undertaken in line with the accreditations received by us. Further, it is responsible for supervising our manufacturing operations. Our quality control (**QC**) department focusses on ensuring that our products comply with customer requirements and specifications or in accordance with prevalent standards. To this end, it undertakes spot checks of raw materials and finished products.

Human resources

As of July 31, 2025, we had 1,513 permanent employees, on a consolidated basis. The following table provides information about our permanent employees, as of July 31, 2025 on a consolidated basis:

Function	No. of Employees
Management	7
Operation	628
Sales and Marketing	5
Projects	495
Finance and Accounts	30
Research and Development	19
Human Resources	14
Information Technology	9
Administration	21

Function	No. of Employees
Commercial	6
Product and Services	279
Total	1,513

In addition, as of July 31, 2025, we had also engaged 332 persons on a contract labour basis.

Our Company's average attrition rate of employees during the last 3 Fiscals is set out below

Particulars	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
No of employee's left during the year / period (A)	241	2,029	740
No of employees at the beginning of the year / period + No of employees joined during the year / period (B)	1,546	2,907	3,073
Employee attrition ratio (A/B) (%)	15.59%	69.80%	24.08%

Employee Attrition ratio = (No of employee's left during the year / period) divided by (No of employees at the beginning of the year / period + No of employees joined during the year / period). Due to change our strategy to focus on erection of projects from focus on O&M (which requires extensive manpower) which led to reduction in the volume of services or O&M contracts, our number of employees decreased as set out in the table above. Due to this our employee attrition ratio was high during Fiscal 2024 as compared to Fiscal 2023. In March 2023, we were awarded an order for setting up the 4G Saturation Project, and consequently we have increased our number of employees during March 31, 2025. Also, see 'Risk Factor - Our employee benefit expense is one of the larger components of our fixed operating costs. Our employee benefits expenses during Fiscal 2025, Fiscal 2024 and Fiscal 2023 were ₹ 667.13 million, ₹ 531.85 million and ₹ 750.26 million, respectively. An increase in employee benefit expense could reduce our profitability. Further, our employee attrition ratio was 15.59%, 69.80% and 24.08%, for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. If we are unable to retain and recruit qualified and proficient employees our business and financial condition could be adversely affected' on page 52.

Intellectual property rights

Details of our trademarks registered are as set out below:

Sr. No.	Application Number	Trademark	Class	Date of registration / application / renewal application	Status	Validity
1.	6916933	Pace Digitek	9 and 37	Date of application: March 21, 2025	Formalities check pass	Pending
2.	6916934		9 and 37	Date of application: March 21, 2025	Formalities check pass	Pending
3.	2719997	LINEAGE	9	Date of application: April 17, 2014	Registered	April 16, 2034
4.	2719998	LINEAGE POWER	9	Date of application: April 17, 2014	Registered	April 16, 2034

Property

Set out below are details of our properties in India:

S r. N o.	Property	Location	Address	Owned/Leased/Licensed/Rented	Name of Lessor/Licensor/Landlord	Are Lessor or Lessee /Licensee related parties? (Yes/No)	Validity	Tenure	Rent (per month)	Whether agreement is adequately stamped	Whether agreement is registered
1.	Registered and Corporate Office	Bengaluru, Karnataka	Plot # V 12, Industrial Estate, Kumbalgaru, Bengaluru Mysore Highway, Bengaluru, Karnataka, India, 560074	Leased	Pace Power Systems*	Yes	July 31, 2026	11 months commencing on September 1 01, 2025	₹ 124,511	Yes	Registration not required
2.	Manufacturing Facility 1	Bengaluru, Karnataka	Plot No. 27A, 1st Phase, Industrial Estate Mysore Road, Kumbalgaru, Bengaluru-560074, Karnataka	Leased#	Pace Power Systems*	Yes	July 31, 2026	11 months commencing on September 1, 2025	₹ 770,556	Yes	Registration not required
3.	Manufacturing Facility 2	Bengaluru, Karnataka	Plot No. 30 A-1, 1st Phase, Industrial Estate, Mysore Road, Kumbalgaru, Bengaluru, Karnataka-560074	Leased#	Pace Power Systems*	Yes	July 31, 2026	11 months commencing on September 1, 2025	₹ 1,403,908	Yes	Registration not required
4.	Manufacturing Facility 3**	Bengaluru, Karnataka	73-P, Bidadi Industrial Area, 2nd Phase, Sector-2, Bidadi, Karnataka	Owned	-	-	-	-	-	Yes	Yes

S r. N o.	Propert y	Locatio n	Address	Owned/Le ased/ Licensed/ Rented	Name of Lessor/ Licensor/L andlord	Are Lessor or Lessee /Licensee relate d parti es? (Yes/ No)	Validi ty	Tenure	Rent (per month)	Wheth er agree ment is adequ ately stamp ed	Wheth er agree ment is registere d
5.	Operatio ns office	Bengal uru, Karnata ka	WTC Bangalore (Brigade Gateway), Unit No. S - 407, 4th Floor, Bengaluru, Karnataka, India, 560010	Owned	-	-	-	-	-	Yes	Yes
6.	Under construct ion	Bengal uru, Karnata ka	Plot 45 (P), Bengaluru IT Park, Arebinnam angala, Jala Hobli, Yelahanka, Bengaluru Urban District, Karnataka, India, 560064	Leased	Karnataka Industrial Areas Developmen t Board	No	Augus t 10, 2024^	10 years from the August 11, 2014^	₹ 1,000	Yes	Yes
7.	Operatio ns office	Aluva, Kerala	356, Moothedat h house, Thaikkattu kara P.O, Companyp adi, Aluva, Kerala, India, 683106	Rented	M J Domanic	No	May 8, 2026	11 months comme ncing on June 9, 2025	₹ 20,339	Yes	Registr ation not require d
8.	Operatio ns office	Patna, Bihar	M2-40, S.K Puri, Patna, Bihar, India, 800001	Licensed	Rashmi Singh	No	Septe mber 30, 2025	11 months comme ncing on Novem ber 1, 2024	₹ 49,597	Yes	Registr ation not require d
9.	Operatio ns office	Vijaya wada, Andhra Pradesh	Plot No 78, Door No B-2, Dee-Vee Apartments , Sunnapuba	Rented	Sreeramach andra Moorthy	No	March 1, 2026	11 months comme ncing on April 1, 2025	₹ 48,620	Yes	Registr ation not require d

S r. N o.	Propert y	Locatio n	Address	Owned/Le ased/ Licensed/ Rented	Name of Lessor/ Licensor/L andlord	Are Lessor or Lessee /Licensee related parties? (Yes/ No)	Validi ty	Tenure	Rent (per month)	Wheth er agree ment is adequ ately stamp ed	Wheth er agree ment is registere d
			ttila Centre, Navodaya Colony, Mogalrajpu ram, Vijayawad a, Andhra Pradesh, India, 500010								
10.	Operatio ns office	Kolkata , West Bengal	No. 90, MM Ghosh Road, P.S. - Dum Dum, Kolkata, West Bengal, India, 700 074	Licensed	Sabita Das	No	Febru ary 28, 2026	11 months comme ncing on April 1, 2025	₹ 10,500	Yes	Registr ation not require d
11.	Operatio ns office	Chenna i, Tamil Nadu	No. J-15, Gnanaolivu Street, Thiru Nagar, Jafferkhan pet, Chennai, Tamil Nadu, India, 60083	Rented	R Devadoss	No	March 31, 2026	11 months comme ncing on April 1, 2025	₹ 42,830	Yes	Registr ation not require d
12.	Operatio ns office	Luckno w, Uttar Pradesh	No. 3/343, Viswas Khand, Gomti Nagar, Lucknow, Uttar Pradesh, India, 226010	Rented	Vijay Pal Singh	No	March 31, 2026	11 months comme ncing on April 1, 2025	₹ 18,522	Yes	Registr ation not require d
13.	Operatio ns office	Ahmed abad, Gujarat ,	405, Mapple Trade Center Near Surdhara	Rented	Vipul Kumar Jagdishchad ra Pujara	No	July 31, 2026	11 months comme ncing on Septem	₹ 34,000	Yes	Registr ation not require d

S r. N o.	Propert y	Locatio n	Address	Owned/Le ased/ Licensed/ Rented	Name of Lessor/ Licensors/L andlord	Are Lessor or Lessee /Licensee related parties? (Yes/ No)	Validi ty	Tenure	Rent (per month)	Wheth er agree ment is adequ ately stamp ed	Wheth er agree ment is registere d
			Circle, Sun and Step Club Road, Thaltej Ahmedabad, Gujarat, India, 380054					ber 1, 2025			
14.	Operatio ns office	Madurai, Tamil Nadu	Door #87, 2nd floor, North Masi Street, Madurai, Tamil Nadu, India, 625001	Rented	R Manjula	No	November 14, 2025	11 months commencing on December 15, 2024	₹ 26,250	Yes	Registration not required
15.	Operatio ns office	Gautam Buddha Nagar, Uttar Pradesh	Unit No-1901, Iconic Tower, Plot no A41, Corunthum , Sector 62, Noida, District Gautam Buddha Nagar, Uttar Pradesh, India - 201301	Rented	Akshay Tyagi & Ayushi Tyagi	No	November 30, 2025	11 months commencing on January 1, 2025	₹ 167,597	Yes	Registration not required
16.	Operatio ns office	Jammu, Jammu and Kashmir	House No. 193, Sector C, Sainik Colony, Jammu, Jammu and Kashmir, India, 180011	Rented	Deepika Sharma	No	May 30, 2026	11 months commencing on July 1, 2025	₹ 55,000	Yes	Registration not required
17.	Operatio ns office	Vijaya wada, Andhra Pradesh	59A-8/8-1/1, Maruthi Cooperative Colony, Near Avani	Rented	Devasena Kathika	No	April 30, 2026	11 months commencing on May 1, 2025	₹ 24,000	Yes	Registration not required

S r. N o.	Propert y	Locatio n	Address	Owned/Le ased/ Licensed/ Rented	Name of Lessor/ Licensor/L andlord	Are Lesso r or Lessee /Lice nsee relate d parti es? (Yes/ No)	Validi ty	Tenure	Rent (per month)	Wheth er agree ment is adequ ately stamp ed	Wheth er agree ment is registe red
			Apartments , Vijayawad a, Andhra Pradesh, India, 520008								
18.	Operatio ns office	Leh Ladakh	Mountain Dreams Guest House, Murtsey Colony, House No 44, Opposite University Administra tive Block, Leh Ladakh, India, 194101	Leased	Jamila Khatoon	No	July 31, 2026	11 months comme ncing on Septem ber 1, 2025	₹ 42,000	Yes	Registr ation not require d
19.	Operatio ns office	Pune, Mahara shtra	1st Floor, Bulding G-Marisoft, Pune, Maharashtr a, India, 411014	Licensed	Deepak Kothari	No	June 09, 2029	60 months comme ncing on June 10, 2024	₹ 216,82 2	Yes	Registe red
20.	Operatio ns office	Bangal ore, Karnata ka	Second Floor, No.27-A, Kumbalgo du Industrial Area, 1st Phrase, Mysore Road, Bangalore, Karnataka, India, 560074	Rented	Pace Power Systems	No	July 31, 2026	11 months comme ncing on Septem ber 1, 2025	₹ 31,500	Yes	Registr ation not require d
21.	Operatio ns office	Guwah ati, Assam	#39, Sapta Swahid Path, Dispur, Guwahati,	Rented	Ranjit KR Saikia	No	Dece mber 31, 2025	11 months comme ncing on	₹ 47,000	Yes	Registr ation not require d

S r. N o.	Propert y	Locatio n	Address	Owned/Le ased/ Licensed/ Rented	Name of Lessor/ Licensor/L andlord	Are Lesso r or Lessee /Lice nsee relate d parti es? (Yes/ No)	Validi ty	Tenure	Rent (per month)	Wheth er agree ment is adequ ately stamp ed	Wheth er agree ment is registere d
			Assam, India-781005					February 1, 2025			
22.	Guest House	Chennai, Tamil Nadu	Old No-3, New No-22, 2nd Floor, Kanchi Natarajan Street, Vasudevan Nagar, Jaffer Khan pet, Chennai, Tamil Nadu, India, 600083	Rented	R Devadoss	No	February 28, 2026	11 months commencing on April 1, 2025	₹ 19,845	Yes	Registration not required
23.	Operations office	Sir Vijaya Puram, Andaman and Nicobar Island	Survey No. 165/3, Dollygunj Village under Sri Vijaya Puram Tehsil, Andaman - 744103	Rented	Vineeta Devi	No	April 5, 2026	11 months commencing on May 05, 2025	₹ 28,000	Yes	Registration not required
24.	Operations office	Dehradun, Uttarakhand	V&V Workspaces, 3rd Floor, UT-41, SIIDCUL, IT Park, SD Road, Dehradun 248001	Licensed	Vidhi and Vidhan	No	March 16, 2026	11 months commencing from June 16, 2025	₹ 188,416 including common area maintenance charges of ₹ 14,720 per month	Yes	Registration not required

* Pace Power Systems is a member of our Promoter Group.

** Leased by Pace Power Systems to Lineage Power Private Limited, our Material Subsidiary.

^Our Company, through our letter dated August 1, 2024, has applied to Karnataka Industrial Areas Development Board for extension of the lease deed for a period of 12 months. Karnataka Industrial Areas Development Board has not yet granted the extension.

#Leased by Pace Power Systems to Lineage Power Private Limited, our Material Subsidiary.

In addition to the Properties mentioned above, our Company has a rented parking shed located at Shed No. V13, Kumbalodu Industrial Estate, Mysore Road, Bangalore Karnataka, India, 560074.

Insurance

Our Company generally maintains insurance cover commensurate with its business requirements. We maintain insurance cover for our assets to cover all normal risks associated with operations of our business. We maintain insurance policies such as fire and special perils policy, burglary policy, electronic equipment policy, machinery breakdown policy, workmen's compensation policy. Our insurance policies are subject to customary exclusions and deductibles. Details of our total insurance coverage *vis-à-vis* our net assets as on March 31, 2025, March 31, 2024, and March 31, 2023 is set out below:

(in ₹ million, unless specified otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Insurance coverage* (A)	132,612.69	59,334.58	7,863.73
Net assets** as per Restated Consolidated Financial Information (B)	1,777.20	1,481.84	1,481.04
Insurance coverage times the net assets (A/B)	74.62	40.04	5.31

*Insurance Coverage= Total insurance coverage amount by considering insurance policies property, equipment, vehicles, stock and all risk insurance / Net Assets

**Net assets = Sum of Property, Plant and Equipment (net block) + Capital Work in Progress + Intangibles (net block) + Investment Property (Buildings net block)

For risks in relation to insurance, see 'Risk Factors - Our operations are subject to varied business risks and our insurance cover may prove inadequate to cover the economic losses of our Company' on page 72.

Competition

According to CRISIL Report, our major competitors include Bondada Engineering Limited, Delta Electronics India Private Limited, Dinesh Engineers Limited and Exicom Tele-Systems Limited. For risks in relation to our competition, see 'Risk Factor - We operate in a competitive industry. Our major competitors are amongst listed companies including HFCL Limited, Exicom Tele-Systems Limited and Bondada Engineering Limited. Any inability to compete effectively may lead to a lower market share or reduced operating margins.' on page 52. For details regarding our competitors, see, 'Industry Overview' on page 165.

Comparison of KPIs of our Company and our listed peers

Peers	Pace Digitek Limited			HFCL Limited			Exicom Tele-Systems Limited			Bondada Engineering Limited		
Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Financial KPI												
Revenue From operations (₹ in millions)	24,387.80	24,344.89	5,031.96	40,645.20	44,650.50	47,433.10	8,676.06	10,195.98	7,079.31	15,713.77	8,007.22	3,705.89
Growth in Revenue (%)	0.18%	383.81%	-	(8.97%)	(5.87%)	-	(14.91%)	44.03%	-	96.24%	116.07%	-
Total income (₹ in millions)	24,622.02	24,602.66	5,146.59	41,226.40	45,665.70	47,904.00	8,988.00	10,385.01	7,233.99	15,797.51	8,037.21	3,710.09
EBITDA (₹ in millions)	5,051.28	4,237.45	397.48	5,071.10	6,830.60	6,657.70	(61.71)	1,309.87	677.78	1,833.16	714.75	302.14
Growth in EBITDA (%)	19.21%	966.08%	-	(25.76%)	2.60%	-	(104.71%)	93.26%	-	156.47%	136.57%	-
EBITDA Margin (%)	20.71%	17.41%	7.90%	12.48%	15.30%	14.04%	(0.71%)	12.85%	9.57%	11.67%	8.93%	8.15%
Profit after tax (₹ in millions)	2,791.02	2,298.71	165.33	1,732.60	3,375.20	3,177.10	(1,100.32)	639.16	326.74	1,153.68	463.06	171.34
Growth in PAT (%)	21.42%	1290.38%	-	(48.67%)	6.24%	-	(272.15%)	95.62%	-	149.14%	170.26%	-
EPS (in ₹)	16.30	14.63	0.95	1.23	2.33	2.18	(9.11)	6.70	3.55	10.33	4.63	1.73
Growth in EPS (%)	11.39%	1435.37%	-	(47.24%)	6.80%	-	(235.95%)	88.53%	-	123.11%	167.18%	-
PAT Margin (%)	11.44%	9.44%	3.29%	4.26%	7.56%	6.70%	(12.68%)	6.27%	4.62%	7.34%	5.78%	4.62%
Growth in PAT Margin (%)	21.20%	187.38%	-	(43.61%)	12.86%	-	(302.31%)	35.82%	-	26.95%	25.08%	-
Return on Equity (ROE) (%)	23.09%	40.53%	4.93%	4.21%	8.44%	10.10%	(17.93%)	8.86%	14.08%	24.19%	27.58%	20.79%
Debt To Equity Ratio (in times)	0.13	0.87	0.57	0.33	0.24	0.24	0.74	0.04	0.51	0.38	0.37	1.02
Interest Coverage	4.33	3.74	2.84	2.17	4.08	3.83	(1.44)	5.85	2.70	7.23	7.96	5.08

Peers	Pace Digitek Limited			HFCL Limited			Exicom Tele-Systems Limited			Bondada Engineering Limited		
Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2025	Fiscal 2024	Fiscal 2023
Ratio (in times)												
Return on Capital Employed (ROCE) (%)	37.89%	40.85%	6.99%	8.16%	13.12%	15.91%	(9.61%)	15.76%	17.45%	27.35%	30.75%	17.19%
Current Ratio (in times)	1.72	1.25	1.45	1.86	2.08	1.91	1.74	3.32	1.56	1.46	1.42	1.40
Net Capital Turnover Ratio (in times)	2.52	6.03	2.43	1.64	1.90	2.45	2.11	1.68	3.45	5.01	6.01	5.67
NAV / Book Value (in ₹)	71.24	35.97	21.22	28.28	27.95	22.53	64.35	75.65	25.24	41.24	16.80	8.11
Return on Net Worth (%)	22.87%	40.67%	4.49%	4.35%	8.34%	9.69%	(17.93%)	8.86%	14.08%	25.05%	27.55%	21.36%
Operational KPI												
Telecom towers installed (in Nos.)	3,740	2,305	Nil	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
OFC network laid (in kms)	6,619	11,827	197	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
Telecom Power equipment (in Nos.)	4,234	6,126	7,109	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
Lithium-Ion Battery Racks (in Nos.)	3,308	6,026	Nil	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available

Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Information.
- Growth in Revenue means growth in % terms of the current year as compared to the preceding year.
- Total Income means the sum of Revenue from Operations and Other Income
- EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from continued operations and exceptional items.
- Growth in EBITDA % means growth in % terms of the current year as compared to the preceding year.
- EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.

- g) *Profit after Tax refers to sum of total income less total expenses after considering the tax expense*
- h) *Growth in PAT % means growth in % terms of the current year as compared to the preceding year.*
- i) *EPS is Earnings per share calculated as Profit attributable to shareholders of the company divided by the weighted average number of shares outstanding during the period.*
- j) *Growth in EPS % means growth in % terms of the current year as compared to the preceding year.*
- k) *Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.*
- l) *Growth in Net profit margin is calculated as growth in % terms of the current year as compared to the preceding year.*
- m) *Return on equity (RoE) is equal to profit for the year divided by the total equity and is expressed as a percentage.*
- n) *Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).*
- o) *The Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by interest expense.*
- p) *Return on Capital Employed (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as net worth and total debt less the ROU Assets, intangible assets and Net Deferred Tax (Assets).*
- q) *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*
- r) *Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).*
- s) *NAV is defined as Net Asset Value and is calculated as Shareholders Net worth divided by the weighted average number of shares outstanding during the period.*
- t) *Return on Net Worth is calculated as Profit attributable to shareholders of the company divided by the net worth i.e., shareholders equity.*
- u) *Telecom towers installed (in Nos.) means the number of Telecom towers installed and commissioned during the respective period for the turnkey projects.*
- v) *OFC network laid (in kms) is the length of Optical Fibre Cables laid in arial or underground for the turnkey projects.*
- w) *Telecom Power equipment (in Nos.) is the Number of Switch Mode Power Supply Unit and Charge Control Unit manufactured*
- x) *Lithium-Ion Battery Racks (in Nos.) is the Number of Lithium-ion battery racks manufactured.*

The data derived for the Peers have been obtained from the financial statements of the peers available on the websites of BSE and NSE.

Corporate social responsibility initiatives

Our Company is conscious of its role in the society and is keen to participate in social welfare measures. Our Company has constituted a Corporate Social Responsibility (CSR) committee and also formulated a CSR policy. For further details, see 'Our Management' on page 328. During Fiscal 2025, Fiscal 2024 and Fiscal 2023, we on a consolidated basis, have created provision of ₹ 22.26 million, ₹ 4.56 million and ₹ 4.26 million, respectively, towards CSR activities. Our Company has, during Fiscal 2025, Fiscal 2024 and Fiscal 2023, spent ₹ 1.63 million, ₹ 2.39 million and ₹ 1.63 million, respectively, towards CSR for educational activities. Details of amount spent and unspent towards CSR by our Company are set out below:

Sr. No.	Financial year	Amount required to be spent (in ₹ million)	Actual amount spent by our Company (In ₹ million)	Unspent/Excess spent (In ₹ million)	Cumulative balance of unspent CSR Expenditure (In ₹ million)
1.	Fiscal 2023	1.63	0.00	0.70	1.63
2.	Fiscal 2024	2.39	0.70	1.68	3.32
3.	Fiscal 2025	16.02	1.63	14.39	20.07

Also, see 'Risk Factor - Our Company had in the past failed to comply with certain provisions of Companies Act. Any adverse action in the proceedings relation to these non-compliances which, if determined against us, could have a material adverse effect on our reputation, business, finances, cash flow and results of operations' on page 54.

KEY REGULATIONS AND POLICIES

The following is an overview of certain sector-specific relevant laws and regulations which are applicable to the business and operations of our Company. The information detailed in this section has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. The description of laws and regulations as set out below is not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative and regulatory actions, administrative or judicial decisions. For details of government approvals obtained by our Company in compliance with these regulations, see 'Government and Other Approvals' on page 491.

Business Related Laws

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. Section 7 of the act lays down the classification of enterprises which lays down the limit through which enterprises will be categorized as small, medium or micro enterprises.

Consumer Protection Act, 2019

The Consumer Protection Act (CPA) provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The CPA introduced a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The CPA brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online marketplace or online auction sites. The CPA also provides for mediation cells for early settlement of the disputes between the parties.

Sale of Goods Act, 1930

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods

The Industrial (Development and Regulation) Act, 1951

The Industrial (Development and Regulation) Act, 1951 (**Industries Act**) governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance, and results of industrial undertakings in public interest. The Industries Act is applicable to the 'Scheduled Industries' which have been listed down in the first schedule of the Industries Act. Small-scale industrial undertakings and ancillary units are exempted from the provisions of the Industries Act. The Industries Act regulates the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. The Industries Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion which is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

Shops and Establishment Legislations

Under the provisions of local shops and establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and

obligations of the employers and employees. Our offices are required to be registered under the shops and establishments legislations of the states where they are located.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (**Metrology Act**) seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matter's incidental thereto. The Metrology Act, *inter alia*, provides for: (a) regulation of weight or measure used in transaction or for protection; (b) approval of model of weight or measure; (c) verification of prescribed weight or measure by Government approved Test Centre; (d) exempting regulation of weight or measure or other goods meant for export; (e) nomination of a person by the companies who will be responsible for complying with the provisions of the enactment; and (f) empowering the Central Government to make rules for enforcing the provisions of the enactment. Any non-compliance or violation of the provisions of the Metrology Act may result in, among others, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

Legal Metrology (Packaged Commodities) Amendment Rules, 2017

The Legal metrology (Packaged Commodities) Rules, 2011 (**2011 Rules**) have been amended by the Packaged Commodity Rules, which establish particular guidelines that apply to packages meant for retail sale, wholesale, export, and import of packaged commodities. They also provide for the registration of packers and manufacturers. According to the packaged Commodity Rules, any pre-packaged good sold to citizens for use and consumption must accurately list a number of details, including the ingredients' description and quantity, the manufacturing date, the expiration date (for perishable goods), the weight, any required warnings, the manufacturer's address, the manufacturer's contact information, and additional information about the product's country of origin, customer care information, etc. Furthermore, particular guidelines for online sales of packaged commodities and e-commerce transactions were established by the Legal Metrology (Packaged Commodities) Amendment Rules, 2017. Furthermore, for pre-packed commodities, the Legal Metrology (Packaged Commodities) Amendment Rules, 2021 (2021 Amendment Rules) mandate the required disclosure of the month and year of manufacturing, the maximum retail price (MRP), and the unit sale price in Indian currency. On March 28, 2022, the Legal Metrology (Packaged Commodities) Amendment Rules, 2022 (2022 Amendment Rules) were adopted, amending both the 2011 Rules and the 2021 Amendment Rules. The 2022 Amendment Rules, among other things, significantly clarify the 2021 Amendment Rules' introduction of the "unit sale price" for pre-packaged commodities.

Environmental Legislations

The Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 (**EPA**) is an umbrella legislation designed to provide a framework for the government to coordinate the activities of various central and state authorities established under various laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the Government the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for laying down the quality of environment, standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986 and the Environment (Protection) Second Amendment Rules, 2022, inspection of any premises, plant, equipment, machinery, and examination of manufacturing processes and materials likely to cause pollution.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 (**Water Act**) aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using of any new or altered outlet for the discharge of sewage or causing new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 (**Air Act**) provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of 4 months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016 (**Hazardous Waste Rules**) define the term ‘hazardous waste’ and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous waste is classified as an ‘occupier’. In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license / authorization from the respective state pollution control board for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste.

Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991 (**PLI Act**) imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The Government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability to provide relief under the terms of the legislation. The Public Liability Insurance Rules, 1991 mandate that the employer has to contribute towards the Environment Relief Fund a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

Labour Law Legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee’s State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970, the Maternity Benefit Act, 1961, the Employee’s Compensation Act, 1923, the Trade Unions Act, 1926, Equal Remuneration Act, 1976, the Industrial Dispute Act, 1947, Apprentices Act, 1961, Industrial Employment (Standing Orders) Act, 1946, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Equal Remuneration Act, 1976, the Child Labour (Prohibition and Regulation) Act, 1986, and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

- (a) Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes 4 existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, *inter alia*, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.
- (b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.
- (c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee’s State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee’s Provident Fund and the Employee’s State Insurance Corporation, regulates the

payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

- (d) The Occupational Safety, Health and Working Conditions Code, 2020, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020.

Other than few provisions of the Code on Social Security which have been notified on May 3, 2023, the provisions of these codes shall become effective on the day that the Government shall notify for this purpose.

Contract Labour (Regulation and Abolition) Act, 1970

Contract Labour (Regulation and Abolition) Act, 1970 (**CLRA Act**) has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA Act applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA Act vests the responsibility on the principal employer of an establishment to which the CLRA Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The principal employer is under an obligation to provide various facilities as provided under the CLRA Act, within a prescribed time period, in case the contractor does not provide such facilities. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

*Factories Act, 1948 (**Factories Act**)*

The Factories Act defines a “factory” to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, where a manufacturing process is being carried on without the aid of power. State Governments have the authority to formulate rules in respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety, and welfare of all workers. It provides such safeguards of workers in the factories as well as offers protection to the exploited workers and improve their working conditions. The penalties for contravention of the Factories Act include fine and imprisonment for the ‘occupier’ or ‘manager’ as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

Intellectual Property Laws

Intellectual property rights refer to the general term for intangible, intellectual, industrial property rights through patents, copyrights and trademarks and includes geographical indications, trade secrets, and confidential information. In India, patents, trademarks and copyrights enjoy protection under both statutory and common law. The key legislations governing intellectual property in India and which are applicable to our Company are the Patents Act, 1970, Copyright Act, 1957, the Designs Act, 2000 and the Trade Marks Act, 1999.

Laws relating to Taxation

The Goods and Services Tax (**GST**) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (**CGST**), relevant state’s Goods and Services Act, 2017 (**SGST**), Union Territory Goods and Services Act, 2017 (**UTGST**), Integrated Goods and Services Act, 2017 (**IGST**), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 (**Income Tax Act**) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or rules made there under depending upon its ‘Residential

Status' and 'Type of Income' involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Customs Act, 1962

The Customs Act, 1962 (**Customs Act**), as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods. Any entity intending to import or export goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code. Customs duties are administered by Central Board of Indirect Tax and Customs under the Ministry of Finance, Government of India.

Other Applicable Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, foreign exchange laws, contract laws, anti-trust laws and other applicable statutes enacted by the Centre or relevant State Governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as ‘Pace Power Systems Private Limited’, at Bengaluru as a private limited company under the provisions of Companies Act, 1956 and received a certificate of incorporation issued by the RoC on March 1, 2007. Thereafter, pursuant to a Board resolution dated June 29, 2020 and a special resolution passed by the Shareholders of our Company in their meeting on July 3, 2020, the name of our Company was changed to ‘Pace Digitek Infra Private Limited’, and a fresh certificate of incorporation dated July 24, 2020, was issued to our Company by the RoC. Pursuant to a Board resolution dated May 10, 2024 and a special resolution passed by the Shareholders of our Company in their meeting on May 28, 2024, the name of our Company was changed to ‘Pace Digitek Private Limited’, and a fresh certificate of incorporation dated July 29, 2024, was issued to our Company by the RoC. Subsequently, our Company got converted into a public limited company pursuant to a Board resolution dated October 16, 2024 and a special resolution passed by the Shareholders of our Company on October 16, 2024, and the name of our Company was changed to its present name, ‘Pace Digitek Limited’, pursuant to a fresh certificate of incorporation dated November 19, 2024 issued to our Company by the RoC.

Changes in the Registered Office: Except as disclosed below, there has been no change in the registered office of our Company since its incorporation.

Date of change	Details of the address of Registered office	Reason for change
March 20, 2009	The address of the registered office of our Company was changed from No. 01153, Ashirwad Building, Andhrahalli Main Road, Vishwaneedam Post, Peenya II Stage, Bangalore, Karnataka – 560091, India to Plot # V - 12 Industrial Estate, Kumbalgodu, Bangalore – Mysore Highway, Bangalore, Karnataka – 560074, India.	Requirement of larger premises

Main Objects of our Company: The main objects contained in the Memorandum of Association are as follows:

1. To carry on and engage in India and abroad all or any of the business as manufacturers, designers, buyers, sellers, importers, exporters, distributors, franchise, sales and purchase representatives, consultants and agents, repair and installation for all kinds of power electronic equipment, all kinds of electrical and electronic goods, instruments, Diesel Generators, Acoustic Enclosures, apparatus and appliances and parts and accessories thereof.
2. To carry on the business of digital infrastructure solutions and projects, such as Surveillance, ITMS and other smart city solutions, apparatus and equipment including but not limited to design, develop, manufacture provide, service and maintain software and hardware and applications for digital infrastructure systems and to Engage in the design, production, manufacture, purchase, sale, transfer, import, export, process, distribution, acquisition, marketing, hire, lease, use, disposal, operation, fabrication, construction, assembly, installation, development, research, consultancy, testing, training, maintenance, repair, reconditioning, alteration, conversion, improvement, up gradation, service, consultancy, work upon or to generally deal in the business of manufacturing energy efficient and power management products for clean energy including wind, solar, Bio Solar, Biogas, Fuel cell, or any other forms of renewable energy equipment, power conservation devises and to provide solution and services for green energy domain and to take up turnkey power projects in these renewable energy sectors.
3. To engage in the Services such as Operations and Maintenance (O&M) of telecommunication towers & maintenance of Optical fiber cable etc. and other related equipment and activities in India and abroad.
4. To carry on the business of developing, installing, maintaining and operating of all types of power generation stations, Power transmission and power distribution systems for public utility or private or any other facility of similar nature and carry out detailed studies for such Power projects inclusive of Physical. Engineering surveys and investigation, concept planning, detailed muster planning, detailed design and engineering and all such activities that together provide the basis for the implementation of the project.

5. To carry on the business of civil and electrical contracts, projects and activities, installation of energy measuring devices and builders, service agents to all kinds of construction activities including sanitation and sewage system, water treatment system, telecommunication towers, residential, commercial buildings, apartments, shopping complexes, arcades, parks, amusement centers, dams, hotels, roadways, tramways, harbors, wharves, canals, embankments and other public utility/government buildings.
6. To design, develop, engineer, manufacture, assemble, install, commission, supply, distribute, and provide services for Battery Energy Storage Systems (BESS), including but not limited to containerized BESS solutions, cabinet BESS solutions, battery packs, energy management systems (EMS), power conversion systems (PCS), and control systems for energy storage; to engage in all types of energy storage solutions, including behind-the-meter and front-of-the-meter applications, utilizing renewable and non-renewable energy sources such as solar, wind, hybrid systems, and other clean energy technologies; to undertake and execute turnkey projects in BESS, including but not limited to Build-Own-Operate (BOO) and Engineering, Procurement, Construction (EPC) modes for public, private, and government entities in India and abroad, including the Commercial & Industrial segment; to engage in the operation, maintenance, management, leasing, and sale of BESS solutions, and enter into contractual agreements with third parties for the same; to provide consultancy, technical support, and after-sales services for the deployment, management, and maintenance of energy storage solutions; and to enter into partnerships, joint ventures, or collaborations with other companies or entities for the advancement of energy storage technologies and solutions, both domestically and internationally.

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried on and proposed to be carried on by our Company.

Amendments to our Memorandum of Association: Set out below are the amendments to our Memorandum of Association during the last 10 years.

No.	Date of Shareholders Resolution	Particulars
1.	February 7, 2017	Clause III (A) and clause III (C) of the Memorandum of Association in relation to the main objects to be pursued by our Company and other objects, respectively, were amended by deleting clause C which related to 'Other Objects'. Further, clause A of our Memorandum of Association was amended to increase the scope of business activities of our Company.
2.	July 03, 2020	Clause I of the Memorandum of Association was amended to reflect the change in the name of our Company from 'Pace Power Systems Private Limited' to 'Pace Digitek Infra Private Limited'. Clause (III) A of the Memorandum of Association in relation to the main objects to be pursued by our Company was amended to increase the scope of business activities of our Company.
3.	May 28, 2024	Clause I of the Memorandum of Association was amended to reflect the change in the name of our Company from 'Pace Digitek Infra Private Limited' to 'Pace Digitek Private Limited'. Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital of our Company from ₹ 50.00 million divided into 5,000,000 Equity Shares of ₹ 10 each to ₹ 920.00 million divided into 92,000,000 Equity Shares of ₹ 10 each.
4.	October 16, 2024	Clause V of the Memorandum of Association was amended to reflect the sub-division of the nominal value of Equity Shares of the Company of ₹10 each into smaller denomination of ₹2 each.
5.	November 19, 2024	Clause I of the Memorandum of Association was amended to reflect the change in the name of our Company from 'Pace Digitek Private Limited' to 'Pace Digitek Limited'.

No.	Date of Shareholders Resolution	Particulars
6.	January 07, 2025	Clause III (A) of the Memorandum of Association in relation to the addition of main objects to be pursued by our Company. Further, clause A of our Memorandum of Association was amended to increase the scope of business activities of our Company and amendment to Clause IIIB of the Memorandum of Association to be in line with the provisions of Table A to schedule I of the Act.

Major events and milestones of our Company:

The table below sets forth the key events in the history of our Company:

Fiscal	Particulars
2007	Incorporation of our Company under the name of Pace Power Systems Private Limited and commencement of power product manufacturing division.
2008	Our Company initiated manufacturing integrated power product solutions and commenced field operations & maintenance.
2011	We commenced offering telecom products and services in South Africa and added a new product to our product portfolio i.e., Integrated Power Management System (IPMS)
2012	Started providing energy management solutions and ventured into renewable energy and hybrid energy.
2014	Acquired Lineage Power Private Limited from GE Power Electronics India.
	Started executing turnkey projects in Telecom and ICT.
2020	Ventured into smart classrooms, smart kiosks, security, and surveillance projects as part of ICT.
2022	Launched the turnkey fiber optic cable network project
2023	Our Company was awarded an order for setting up a 4G saturation project by a public sector telecom company (4G Saturation Project).
2025	Lineage Power Private Limited, a subsidiary of our Company has commenced operations at its BESS Plant at Bidadi, Karnataka (i.e., Manufacturing Facility 3).

Awards and Accreditations:

Fiscal	Particulars
2024	Global Expansion Achievement Award
2022	Star Performance Award, ZTE Telecom India Pvt Ltd

1. Other details regarding our Company

For details regarding the description of our activities, products, market of each segment, the growth of our Company, technology, management, major suppliers and customers, exports, location, environmental issues, market, marketing and competition, see *‘Our Business’*, *‘Our Management’* and *‘Industry Overview’* on pages 274, 328, and 183, respectively.

2. Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There have been no defaults, rescheduling/restructuring of our outstanding borrowings availed by our Company from financial institutions or banks.

3. Time/cost overrun in setting up projects

There have been no time/cost overruns pertaining to setting up of projects by our Company as on the date of this Red Herring Prospectus.

4. **Launch of key products or services, capacity/facility creation, location of plants, entry into new geographies or exit from existing markets**

For details regarding launch of key products/ services, entry into new geographies or exit from existing markets, see 'Our Business' and 'History and Certain Other Corporate Matters – Major events and milestones of our Company' on pages 274 and 315, respectively.

5. **Capacity / facility creation, location of plants**

For details regarding capacity/ facility creation, location of plants, see 'Our Business' on page 274.

6. **Details regarding material acquisition of business/undertakings, mergers, amalgamations and revaluation of assets in the last 10 years**

As on the date of this Red Herring Prospectus, our Company has no material acquisition or divestments of business/undertakings, mergers, amalgamations. Further, except as stated below our Company has not re-valued its assets in the last 10 years:

Particulars	As at March 31, 2021
	Amount (in ₹ million)
Immovable Property	
Unit No. S-407, 4 th Floor WTC, Dr Rajakumar Road, Bangalore Fair Market Value - ₹ 133.05 Realisable Value - ₹ 119.75 Forced Sale Value - ₹ 106.44 Book Value - ₹ 89.07	43.99
Plot No. 45-P, 2 nd main, IT Park, Jala KIADB Industrial Area, Bangalore Fair Market Value - ₹ 353.52 Realisable Value - ₹ 318.16 Forced Sale Value - ₹ 272.81 Book Value - ₹ 103.70	249.82
Plot No. 73-P, 2 nd phase, Sector-II, Bidadi, KIADB Industrial Estate Fair Market Value - ₹ 592.30 Realisable Value - ₹ 533.07 Forced Sale Value - ₹ 473.84 Book Value - ₹ 105.67	486.62
Total	780.43

7. **Our Holding Company**

As on the date of this Red Herring Prospectus, our Company does not have any holding company.

8. **Our Subsidiary**

As on the date of this Red Herring Prospectus, our Company has 6 subsidiaries. For further details, please see 'Our Subsidiaries' on page 321.

9. **Details of our Joint Ventures and Associate Companies**

As on the date of this Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

10. Guarantees given by the Promoter participating in the Offer for Sale

The Issue comprises only a fresh issue of Equity Shares and our Promoters are not offering their Equity Shares through an offer for sale. For details of guarantees given by our Promoter in relation to the credit facilities availed by our Company, see '*Restated Consolidated Financial Information*' and '*Financial Indebtedness*' on page 361 and 464, respectively.

11. Agreements with Key Managerial Personnel, Senior Management, Directors or Promoter or any other employee

There are no agreements entered into by our Key Managerial Personnel, Senior Management, Promoters, Directors or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

12. Summary of key agreements with strategic partners, joint venture partners and / or financial partners

As on the date of this Red Herring Prospectus, our Company does not have any strategic partners, joint venture partners and / or financial partners.

13. Details of subsisting shareholders' agreement

As on the date of this Red Herring Prospectus, there is no subsisting shareholders' agreement among our shareholders vis-à-vis our Company.

14. Material Agreements

There are no other material agreements (except agreements entered in the ordinary course of business) have been entered into by our Company as on the date of this Red Herring Prospectus.

15. Details of special rights

There are no Shareholders or Promoters who are entitled to nominate Directors or have any other special rights including but not limited to information rights.

16. Inter-se Arrangements

Our Company, our Promoters, the members of the Promoter Group and, or, the Shareholders (where our Company is a party) are not party to any agreements, including any deed of assignment, acquisition agreement, shareholders' agreement, inter-se agreement/arrangement or agreements of like nature, with respect to securities of our Company. Further, we confirm there are no other clauses or covenants which our Company, our Promoter, the members of the Promoter Group or the Shareholder (where our Company is a party) are a party to, in relation to securities of our Company, which are material and adverse or pre-judicial to the interest of the minority/ public shareholders.

17. Details of Agreements required to be disclosed under Clause 5A of paragraph A of part A of Schedule III of SEBI Listing Regulations

As on the date of this Red Herring Prospectus, there are no agreements entered into by our Shareholders, Promoters, entities forming part of the Promoter Group, related parties, Directors, Key Managerial Personnel, employees of our Company with our Company or amongst themselves, solely or jointly, which either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company.

18. Other confirmations

There are no conflicts of interest between the third party service providers of our Company (crucial for the

operations of the Company) and the Promoters, Promoter Group, Key Managerial Personnel, Directors, Subsidiaries, Group Companies and the directors of Subsidiaries and Group Companies.

There are no conflicts of interest between our lessor(s) of immovable properties of our Company (crucial for operations of the Company) and the Promoters, Promoter Group, Key Managerial Personnel, Directors, Subsidiaries, Group Companies and the directors of Subsidiaries and Group Companies.

OUR SUBSIDIARIES

Our Company has 6 subsidiaries as on the date of this Red Herring Prospectus, details of which are set out below:

1. Lineage Power Private Limited

Corporate Information

Lineage Power Private Limited was incorporated as a private limited company on June 29, 2010, under the Companies Act, 1956 with the Registrar of Companies, Karnataka at Bengaluru. Its registration number is 054269 and its corporate identification number is U45207KA2010PTC054269. Its registered office is situated at Plot No. V-12, Industrial Estate, Kumbalgodu, Bengaluru-Mysore Highway, Bengaluru, Karnataka, India, 560074.

Nature of Business

Lineage Power Private Limited is involved in the business of passive equipment for telecom tower installation, optical fibre cable laying and solar panels for the solarization of telecom towers as authorized by our memorandum of association.

Capital Structure

The authorized share capital of Lineage Power Private Limited is ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each and its issued, subscribed and paid up equity share capital is ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of Lineage Power Private Limited is set out below:

Sr. No.	Name of Shareholders	No. of Equity Shares	Face Value (₹)	Percentage shareholding (%)
1.	Pace Digitek Limited	3,986,710	10	79.74
2.	Maddisetty Venugopal Rao	506,645	10	10.13
3.	PadmaVenugopal Maddisetty	506,645	10	10.13
Total		5,000,000	10	100.00

Interest of our Company

Our Company holds 79.74% shareholding in Lineage Power Private Limited.

Summary of selected Financial Information

(in ₹ millions)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share capital	50.00	50.00	50.00
Net worth	1567.25	974.42	477.77
Revenue from operations	6285.27	8,348.69	3,197.00
Profit/ (loss) after tax for the year	602.15	480.02	97.44
Earnings / (Loss) per equity share			
- Basic (in ₹)	120.43	96.00	19.49
- Diluted (in ₹)	20.43	96.00	19.49
Net asset value per Equity Share	345.43	225.06	125.73
Total Borrowings <i>(including current and non-current borrowings)</i>	775.27	611.72	555.26

2. Pace Renewable Energies Private Limited

Corporate Information

Pace Renewable Energies Private Limited was incorporated as a private limited company on March 31, 2010, under the Companies Act, 1956 with the Registrar of Companies, Karnataka at Bengaluru. Its registered office is situated at Plot No. V-12, Industrial Estate, Kumbalgodu, Bangalore-Mysore Highway, Bangalore, Karnataka, India, 560074. Its registration number is 053077 and its corporate identification number is U29307KA2010PTC053077.

Nature of Business

Pace Renewable Energies Private Limited is involved in the business of renewable energy, solar projects, solarisation of telecom towers and BESS solutions.

Capital Structure

The authorized share capital of Pace Renewable Energies Private Limited is ₹ 150,000,000 divided into 15,000,000 equity shares of ₹ 10 each and its issued, subscribed and paid-up equity share capital is ₹ 104,400,000 divided into 10,440,000 equity shares of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of Pace Renewable Energies Private Limited is set out below:

Sr. No.	Name of Shareholders	No. of Equity Shares	Face Value (₹)	Percentage shareholding (%)
1.	Pace Digitek Limited	9,800,000	10	93.87
2.	Maddisetty Venugopal Rao	270,000	10	2.59
3.	Padma Venugopal Maddisetty	270,000	10	2.59
4.	Rajiv Maddisetty	100,000	10	0.96
Total		10,440,000	10	100.00

Interest of our Company

Our Company holds 93.87% shareholding in Pace Renewable Energies Private Limited.

Summary of selected Financial Information

(in ₹ millions)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share capital	104.40	104.40	104.40
Net worth	636.30	781.60	667.27
Revenue from operations	0.78	73.39	94.57
Profit/ (loss) after tax for the year	(145.30)	114.33	43.67
Earnings / (Loss) per equity share			
- Basic (in ₹)	(13.92)	10.95	4.18
- Diluted (in ₹)	(13.92)	10.95	4.18
Net asset value per Equity Share	60.95	74.87	63.91
Total Borrowings (including current and non-current borrowings)	0	0.50	2.08

3. AP Digital Infra Private Limited

Corporate Information

AP Digital Infra Private Limited was incorporated as a private limited company on September 19, 2018, under the Companies Act, 2013 with the Registrar of Companies, Andhra Pradesh at Vijayawada. Its registration number is 109234 and its corporate identification number is U64200AP2018PTC109234. Its registered office is situated at 3rd Floor, Pandit Nehru Bus Station Arrival Block, Krishna Lanka, Krishna, Vijayawada, Andhra Pradesh, India, 520013.

Nature of Business

AP Digital Infra Private Limited currently has no business operations.

Capital Structure

The authorized share capital of AP Digital Infra Private Limited is ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each and its issued, subscribed and paid up equity share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of AP Digital Infra Private Limited is set out below:

Sr. No.	Name of Shareholders	No. of Equity Shares	Face Value (₹)	Percentage shareholding (%)
1.	Pace Digitek Limited	9,000	10	90.00
2.	Lineage Power Private Limited	1,000	10	10.00
Total		10,000	10	100.00

Interest of our Company

Our Company holds 90.00% shareholding in AP Digital Infra Private Limited.

Summary of selected Financial Information

(in ₹ millions)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share capital	0.10	0.10	0.10
Net worth	(0.44)	(13.29)	(11.82)
Revenue from operations	0	0	0
Profit/ (loss) after tax for the year	12.85	(1.47)	(1.50)
Earnings / (Loss) per equity share			
- Basic (in ₹)	1,284.82	(147.20)	(150.46)
- Diluted (in ₹)	1,284.82	(147.20)	(150.46)
Net asset value per Equity Share	(44.34)	(1,329.15)	(1181.96)
Total Borrowings (including current and non-current borrowings)	0.68	13.63	12.25

4. Inso Pace Private Limited

Corporate Information

Inso Pace Private Limited was incorporated as a private limited company on October 10, 2018, under the Companies Act, 2013 with the Registrar of Companies, Karnataka at Bengaluru. Its registration number is 117476 and its

corporate identification number is U35105KA2018PTC117476. Its registered office is situated at S-407,4th Floor, World Trade Centre, Dr. Rajkumar Road, Yeshwanthpur, Bangalore, Karnataka, India, 560010.

Nature of Business

Inso Pace Private Limited currently has no business operations.

Capital Structure

The authorized share capital of Inso Pace Private Limited is ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each and its issued, subscribed and paid up equity share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding Pattern

The shareholding pattern of Inso Pace Private Limited is set out below:

Sr. No.	Name of Shareholders	No. of Equity Shares	Face Value (₹)	Percentage shareholding (%)
1.	Pace Digitek Limited	5,100	10	51.00
2.	Maddisetty Venugopal Rao	4,900	10	49.00
Total		10,000	10	100.00

Interest of our Company

Our Company holds 50.00% shareholding in Inso Pace Private Limited.

Summary of selected Financial Information

(in ₹ millions)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share capital	0.10	0.10	0.10
Net worth	0.87	(2.02)	(1.93)
Revenue from operations	0	0	0
Profit/ (loss) after tax for the year	2.89	(0.09)	(0.14)
Earnings / (Loss) per equity share			
- Basic (in ₹)	288.59	(8.53)	(14.20)
- Diluted (in ₹)	288.59	(8.53)	(14.20)
Net asset value per Equity Share	87.01	(201.58)	(193.04)
Total Borrowings (including current and non-current borrowings)	0	3.06	2.90

5. Lineage Power Holdings (Singapore) Pte. Ltd.

Corporate Information

Lineage Power Holdings (Singapore) Pte. Ltd. was incorporated as a private company limited by shares on March 12, 2015, under the laws of Republic of Singapore and received its certificate of incorporation on March 12, 2015. Its registered office is situated at 14 Robinson Road, #12-01/02, Far East Finance Building, Singapore 048545.

Nature of Business

Lineage Power Holdings (Singapore) Pte. Ltd currently has no business operations.

Capital Structure

The issued and paid up share capital of Lineage Power Holdings (Singapore) Pte. Ltd is USD 72,804.63 divided into 1,000 ordinary shares of SGD 1.00 each and 72,055 ordinary shares of USD 1.00 each.

Shareholding Pattern

The shareholding pattern of Lineage Power Holdings (Singapore) Pte. Ltd. is set out below:

Sr. No.	Name of Shareholders	No. of ordinary shares and face value	Percentage shareholding (%)
1.	Pace Digitek Limited	1,000 ordinary shares of SGD 1.00 each	100
		72,055 ordinary shares of USD 1.00 each	

Interest of our Company

Our Company holds 100% shares of Lineage Power Holdings (Singapore) Pte. Ltd.

Summary of selected Financial Information

(in ₹ millions)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share capital	4.56	4.56	4.56
Net worth	0.32	1.04	1.54
Revenue from operations	0	0	0
Profit/ (loss) after tax for the year	(0.63)	(0.48)	2.01
Earnings / (Loss) per equity share			
- Basic (in ₹)	(8.57)	(6.60)	27.50
- Diluted (in ₹)	(8.57)	(6.60)	27.50
Net asset value per Equity Share	4.36	14.18	21.07
Total Borrowings (including current and non-current borrowings)	0	0	0

6. Lineage Power (Myanmar) Limited

Corporate Information

Lineage Power (Myanmar) Limited was incorporated as a private company limited by shares on June 9, 2015, under the Myanmar Companies Act and received a certificate of incorporation dated June 9, 2015. Its registered office is situated at Yadanar Road, No 23/B, 14th Ward, Yankin Township, Yangon Region, Myanmar 11081.

Nature of Business

Lineage Power (Myanmar) Limited is involved in the business of providing construction services, operation and maintenance services and related activities.

Capital Structure

The authorized share capital of Lineage Power (Myanmar) Limited is USD 50,000 divided into 50,000 ordinary shares of USD 1 each. The issued, subscribed and paid-up equity share capital of Lineage Power (Myanmar) Limited is USD 50,000 divided into 50,000 ordinary shares of USD 1.

Shareholding Pattern

The shareholding pattern of Lineage Power (Myanmar) Limited is set out below:

Sr. No	Name of Shareholders	No. of ordinary shares	Face Value	Percentage shareholding (%)
1	Lineage Power Holdings (Singapore) Pte. Ltd	47,500	USD 1	95.00%
2	Maddisetty Venugopal Rao	2,500	USD 1	5.00%
		50,000		100.00%

Interest of our Company

Lineage Power Holdings (Singapore) Pte. Ltd which is subsidiary of our Company holds 95% shares of Lineage Power (Myanmar) Limited.

Summary of selected Financial Information

(in ₹ millions)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity Share capital	3.73	3.73	3.73
Net worth	17.12	14.71	13.00
Revenue from operations	22.93	57.71	58.03
Profit/ (loss) after tax for the year	1.78	1.68	1.00
Earnings / (Loss) per equity share			
- Basic (in ₹)	35.68	33.70	19.90
- Diluted (in ₹)	35.68	33.70	19.90
Net asset value per Equity Share	342.46	294.20	260.07
Total Borrowings (including current and non-current borrowings)	0	0	0

Accumulated profits or losses

As on the date of this Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company in the Restated Consolidated Financial Information.

Interest in our Company

Except as disclosed in 'Our Business' and 'Restated Consolidated Financial Information' on pages 274 and 36, respectively, none of our Subsidiaries have any business interest in our Company.

Common pursuits

Our Subsidiaries, i.e., Lineage Power Private Limited, Pace Renewable Energies Private Limited, are engaged in the same line of business as that of our Company. However, there is no conflict of interest amongst the fore mentioned Subsidiaries and our company as these Subsidiaries are controlled by our Company. Our Company shall adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any instances of conflict of interest, if and when they may arise.

Other confirmations

None of our Subsidiaries have their securities listed on any stock exchange in India or abroad. Further, neither of our Subsidiaries have been refused listing of their securities by any stock exchange in India or abroad during the last 10 years, nor have they failed to meet the listing requirements of any stock exchange in India or abroad.

Except for AP Digital Infra Private Limited, Inso Pace Private Limited, Lineage Power Holdings (Singapore) Pte. Ltd, and Lineage Power (Myanmar) Limited, the registered office of our remaining subsidiaries i.e. Lineage Power Private Limited and Pace Renewable Energies Private Limited is situated at the Registered and Corporate Office of our Company. However, there is no conflict of interest between our Subsidiary or any of their respective directors and the lessors of immovable properties of our Company (who are crucial for the operations of our Company).

Our Subsidiaries do not have a conflict of interest with the suppliers of raw materials and third party service providers (crucial for operations of the Company) or with lessors of our immovable property (crucial for operations of the Company).

OUR MANAGEMENT

In terms of our Articles of Association, our Company must have not less than 3 and not more than 15 Directors. As on the date of this Red Herring Prospectus, our Board comprises of 6 Directors of whom 3 are Executive Directors (including 1 woman director) and 3 are Independent Directors.

The following table sets forth details regarding our Board as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
1.	Maddisetty Venugopal Rao Designation: Chairman & Managing Director Current term: January 7, 2025 for a period of 5 years Period of Directorship: Since March 1, 2007 Address: No. 09 TUSTI, Amma School Road, 2nd Stage Ullal Main Road, Jnana Bharathi, Bangalore-550056 Occupation: Business Date of Birth: January 01, 1966 DIN: 02070491	59	<i>Indian Companies:</i> 1. Lineage Power Private Limited (Private Limited Company - India) 2. Pace Renewable Energies Private Limited (Private Limited Company - India) 3. AP Digital Infra Private Limited (Private Limited Company - India) 4. Vpace Realtek Private Limited (Private Limited Company - India) 5. Inso Pace Private Limited (Private Limited Company - India) <i>Foreign Companies:</i> 1. Lineage Power Holdings (Singapore) Pte. Ltd. (Private Company (Limited by Shares) - Singapore) 2. Pace Power Africa Limited (Private Company (Limited by Shares) - Kenya) 3. Pace Power Zambia Limited (Private Company (Limited by Shares) - Zambia) 4. Pace Power Kenya Limited (Private Company (Limited by Shares) - Kenya) 5. Pace Power Tanzania Limited (Private Company (Limited by Shares) - Tanzania)

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
			6. Lineage Power (Myanmar) Ltd. (Private Company (Limited by Shares) - Myanmar) 7. Pace Power Rwanda Limited (Private Company (Limited by Shares) - Rwanda) 8. Pace Power Uganda Limited (Private Company (Limited by Shares) - Uganda) 9. Pace Telecoms Infra Solutions Limited (Private Company (Limited by Shares) - Nigeria) 10. Pace Power Mauritius Limited
2.	Padma Venugopal Maddisetty <i>Designation:</i> Whole Time Director <i>Current term:</i> January 7, 2025 for a period of 5 years <i>Period of Directorship:</i> Since March 1, 2007 <i>Address:</i> No. 09 TUSTI, Amma School Road, 2nd Stage Ullal Main Road, Jnana Bharathi, Bangalore-550056 <i>Occupation:</i> Business <i>Date of Birth:</i> June 15, 1971 <i>DIN:</i> 02070662	54	<i>Indian Companies:</i> 1. Lineage Power Private Limited; (Private Limited Company - India) 2. Pace Renewable Energies Private Limited (Private Limited Company - India) 3. Inso Pace Private Limited (Private Limited Company - India) and 4. AP Digital Infra Private Limited (Private Limited Company - India) <i>Foreign Companies:</i> 1. Lineage Power Holdings (Singapore) Pte. Ltd. (Private Company (Limited by Shares) - Singapore) 2. Pace Power Africa Limited (Private Company (Limited by Shares) - Kenya) 3. Pace Telecoms Infra Solutions Limited (Private

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
			Company (Limited by Shares) - Nigeria) 4. Pace Power Rwanda Limited (Limited Liability Company - Uganda) 5. Pace Power Tanzania Limited (Company (Limited by Shares) - Tanzania) 6. Pace Power Zambia Limited (Private Company (Limited by Shares) - Zambia) 7. Lineage Power (Myanmar) Limited (Private Company (Limited by Shares) - Myanmar)
3.	Rajiv Maddisetty Designation: Whole Time Director Current term: January 7, 2025 for a period of 5 years Period of Directorship: July 9, 2019 Address: No. 09 TUSTI, Amma School Road, 2nd Stage Ullal Main Road, Jnana Bharathi, Bangalore- 550056 Occupation: Business Date of Birth: March 23, 1994 DIN: 08495070	31	<i>Indian Companies:</i> 1. Lineage Power Private Limited (Private Limited Company - India) 2. Pace Renewable Energies Private Limited (Private Limited Company - India) 3. Vpace Realtek Private Limited (Private Limited Company - India) <i>Foreign Companies:</i> Nil
4.	Satishchandra B Ogale Designation: Independent Director Current term: January 7, 2025 for a period of 5 years Period of Directorship: Independent Director since January 7, 2025 Address: 128/1B, Plot No. 3A, Pushkaraj Sharmik Sahakari, Society, Paud Road, Near PNG Showroom, Kothrud, Pune 411038, Maharashtra. Occupation: Professional Date of Birth: July 24, 1953 DIN: 07125244	72	<i>Indian Companies:</i> 1. Vigyandeep Science Foundation (Not-for-profit Company - India) <i>Foreign Companies:</i> Nil

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
5.	Om Prakash Mishra Designation: Independent Director Current term: January 7, 2025 for a period of 5 years Period of Directorship: Independent Director since January 7, 2025 Address: Flat No. 403, Tower No. 04, NCC Urban One, Osman Sagar Road Manchirevula, Narsingi, Hyderabad, Manchirevula, Gandipet, Telangana – 500075. Occupation: Professional Date of Birth: January 28, 1964 DIN: 09244477	61	<i>Indian Companies:</i> 1. Ratnaafin Capital Private Limited (Private Limited Company - India) <i>Foreign Companies:</i> Nil
6.	Prabhakar Reddy Patil Designation: Independent Director Current term: February 1, 2025 for a period of 5 years Period of Directorship: Independent Director since February 1, 2025 Address: D-212, Raj Legacy, L.B.S Marg, Next to Home Town, Vikhroli West, Kurla, Mumbai, Maharashtra – 400083. Occupation: Professional Date of Birth: February 3, 1962 DIN: 00377406	63	<i>Indian Companies:</i> 1. Swan Crop Limited (Formerly known as Swan Energy Limited) (Public Limited Company (Listed) - India) 2. Swan Defence and Heavy Industries Limited (Formerly known as Reliance Naval and Engineering Limited) (Public Limited Company (Listed) - India) 3. KHFM Hospitality and Facility Management Services Limited (Public Limited Company (Listed) - India) 4. Skillspade Solutions Private Limited (Private Limited Company - India) 5. Venkateswaera Organic and Naturals Private Limited (Private Limited Company - India) <i>Foreign Companies:</i> Nil

Brief profiles of our Directors

Maddisetty Venugopal Rao, aged 59, is the Chairman and Managing Director of our Company. He holds a Bachelor's degree in Engineering from Shivaji University, a Master's degree in Business Administration from Newport University, California and a Doctor of Letters from the University of South America. He is currently associated with Pace Power Systems as a partner. He has over 20 years of experience in telecommunications and energy industry. He is responsible for overseeing the daily operations and leading the senior management teams of the Company.

Padma Venugopal Maddisetty, aged 54, is the Whole Time Director of our Company. She is an undergraduate. She is currently associated with Pace Power Systems as a partner. She has over 20 years of experience in telecommunications and energy industry. She is responsible for overseeing the human resources department and the senior management teams of the Company.

Rajiv Maddisetty, aged 31, is the Whole Time Director of our Company. He holds Bachelor's degree in Engineering from Rashtreeya Vidyalaya College of Engineering, Visvesvaraya Technological University, Belgaum, Karnataka and a Master's degree in Business administration from University of Delaware. Prior to joining the Company, he was associated with PricewaterhouseCoopers (PwC). He has around 5 years of experience in telecommunication and energy industry. He is responsible for overseeing the daily operations and leading the senior management teams of the Company.

Satishchandra B Ogale, aged 72, is the Independent Director of our Company. He holds a Bachelor's and Master's in Science (Physics) from Poona University. He also holds a Doctor of Philosophy (Ph.D) in Physics from Poona University. He is currently a director in Research Institute for Sustainable Energy (RISE), an Adjunct Professor Emeritus (Hon) Department of Physics, Centre for Energy Science with Indian Institute of Science Education and Research (IISER) Pune. He was previously associated as a Chief Scientist with CSIR, National Chemical Laboratory, and Head of the Department and Associate Professor with Pune University. He has over 25 years of experience in research and development in the field of physics.

Prabhakar Reddy Patil, aged 63 is one of the Independent Directors of our Company. He holds a master's degree in Econometrics from Sri Venkateshwara University. He also holds a Doctor of Philosophy from Indian Institute of Technology, Bombay. He was previously associated with the Securities and Exchange Board of India. He has over 25 years of experience in financial markets and regulatory affairs.

Om Prakash Mishra, aged 61 the Independent Director of our Company. He holds a Bachelor's and a Master's degree in Economics from Patna University. He was previously associated with State Bank of India. He is currently associated with Punjab & Sind Bank. He has 37 years of experience in the banking industry.

Confirmations

None of our Directors were or are directors of listed companies during the preceding 5 years of this Red Herring Prospectus whose shares have been / were suspended from being traded on any stock exchange during his / her tenure as a director of such listed company.

None of our Directors were or are directors in listed companies which were delisted from the stock exchanges during his / her tenure.

Except as disclosed in this Red Herring Prospectus, none of our Directors are interested as a member in any firm or company which has any interest in our Company.

Relationship amongst our Directors and Key Managerial Personnel and, or Senior Management

Except as stated below, none of our Directors are related to each other:

1. Maddisetty Venugopal Rao, the Chairman and Managing Director of our Company is the spouse of Padma Venugopal Maddisetty and father of Rajiv Maddisetty, our Whole Time Directors.

Further, except for the relationship set out above, our Directors are not related to any of the Key Managerial Personnel and Senior Management of our Company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, or companies in which they have an interest in, by any person, either to induce any of

our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further:

1. None of our Directors has been identified as a Wilful Defaulter or Fraudulent Borrower as defined under the SEBI ICDR Regulations; and
2. None of our Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

Arrangement or understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were appointed as a Director or member of senior management.

Service contracts with Directors

None of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

Borrowing Powers of our Board

In accordance with the Articles of Association of our Company, and Section 180(1)(c) of the Companies Act, 2013, our Shareholders have pursuant to a special resolution dated October 16, 2024 authorised our Board to borrow any sum or sums of money for the purpose of business of the Company, notwithstanding that the monies to be borrowed together with the money already borrowed by the Company must not exceed the aggregate paid up capital and free reserves, provided however, the maximum amount must not exceed ₹ 50,000.00 million.

Terms of Appointment of the Executive Directors of our Company

Chairman and Managing Director

Maddisetty Venugopal Rao was appointed as a Managing Director with effect from March 1, 2007. He was appointed as Chairman and Managing Director for 5 years with effect from January 7, 2025, pursuant to a Board resolution dated January 7, 2025 and a Shareholders' resolution dated January 7, 2025. He is entitled to the following remuneration and perquisites with effect from January 7, 2025:

Date of appointment	January 7, 2025
Term of appointment	For a period of 5 years from January 7, 2025
Remuneration (in ₹ million)	₹ 23.46 million per annum, however the annual aggregate income shall not exceed ₹ 50.00 million
Other Terms and Conditions / Perquisites and allowances of expenses	Basic + Dearness Allowance: ₹ 11.49 million Other allowances: ₹ 11.37 million Statutory / Other Benefits: ₹ 0.59 million

Whole Time Directors

Padma Maddisetty was appointed as a Director with effect from March 1, 2007. She was appointed as the Whole Time Director for 5 years with effect from January 7, 2025, pursuant to a Board resolution dated January 7, 2025 and a Shareholders' resolution dated January 7, 2025. She is entitled to the following remuneration and perquisites with effect from January 7, 2025:

Date of appointment	January 7, 2025
Term of appointment	For a period of 5 years from January 7, 2025
Remuneration (in ₹ million)	₹ 20.86 million per annum, however the annual aggregate income shall not exceed ₹ 30.00 million

Other Terms and Conditions / Perquisites and allowances of expenses	Basic + Dearness Allowance: ₹ 10.22 million Other allowances: ₹ 10.11 million Statutory / Other Benefits: ₹ 0.53 million

Rajiv Maddisetty was appointed as a Director of our Company with effect from July 9, 2019. He was appointed as a Whole Time Director for 5 years with effect from January 7, 2025, pursuant to a Board resolution dated January 7, 2025 and a Shareholders' resolution dated January 7, 2025. He is entitled to the following remuneration and perquisites with effect from January 7, 2025:

Date of appointment	January 7, 2025
Term of appointment	For a period of 5 years from January 7, 2025
Remuneration (in ₹ million)	₹ 11.09 million per annum, however the annual aggregate income shall not exceed ₹ 25.00 million
Other Terms and Conditions / Perquisites and allowances of expenses	Basic + Dearness Allowance: ₹ 2.77 million Other allowances: ₹ 8.15 million Statutory / Other Benefits: ₹ 0.17 million

Terms of appointment of our Non-Executive Directors and Independent Directors

Pursuant to a resolution passed by our Board at its meeting held on January 7, 2025 each Independent Director is entitled to receive sitting fees of ₹ 100,000 per meeting for attending meetings of our Board and, or Committees of our Board.

Except as disclosed, neither our Company nor our subsidiary has paid any compensation or granted any benefit on an individual basis to any of our Directors (including contingent or deferred compensation) other than the remuneration paid to them for Fiscal 2025:

(in ₹ million)

Sr. No.	Name of the Executive Director	Name of the Subsidiary	Amount
1.	Maddisetty Venugopal Rao	Lineage Power Private Limited	0.72
Total			0.72

Payment or benefits to Directors

The details of payments and benefits made to our Directors by our Company, in Fiscal 2025 are as follows:

Executive Directors

(in ₹ million)

Sr. No.	Name of the Executive Director	Amount
1.	Maddisetty Venugopal Rao	22.87
2.	Padma Maddisetty	20.33
3.	Rajiv Maddisetty	10.92
Total		54.12

Non-Executive Directors and Independent Directors

(in ₹ million)

Sr. No.	Name of Non-Executive and Independent Director	Designation	Amount
1.	Satishchandra B Ogale	Independent Director	0.20
2.	Om Prakash Mishra	Independent Director	0.20
3.	Prabhakar Reddy Patil	Independent Director	0.10
Total			0.50

Remuneration paid by our Subsidiaries

As on date of this Red Herring Prospectus, none of our Directors have received any remuneration from the Subsidiaries of our Company, except as disclosed below:

(in ₹ million)

Sr. No.	Name of the Executive Director	Name of the Subsidiary	Amount
1.	Maddisetty Venugopal Rao	Lineage Power Private Limited	8.60
Total			8.60

Bonus or Profit-Sharing Plans

None of our Directors are party to any bonus or profit-sharing plan of our Company.

Contingent or Deferred Compensation to our Directors

There is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration.

Shareholding of Directors in our Company

The Articles of Association of our Company do not require our Directors to hold any qualification shares.

The shareholding of our Directors in our Company as of the date of this Red Herring Prospectus is set forth below:

Sr. No.	Name of Director	Number of Equity Shares	Percentage shareholding (%)
1.	Maddisetty Venugopal Rao	50,033,310	28.04
2.	Padma Venugopal Maddisetty	49,983,330	28.01
3.	Rajiv Maddisetty	24,991,680	14.01
Total		125,008,320	70.06

Interest of our Directors

All our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to each of them, by our Company. Our Non-Executive Director or Independent Directors may be deemed to be interested to the extent the sitting fees and commission, if any, payable to them for attending meetings of our Board and / or committees thereof as approved by our Board and, or, Shareholders, and the reimbursement of expenses payable to them, as approved by our Board.

Further, except as disclosed under ‘Shareholding of Directors in our Company’ above, none of our Directors hold any Equity Shares or any other form of securities in our Company. Further, our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in the Company.

Our Directors may be deemed to be interested to the extent of certain related party transactions that were undertaken with them by our Company. Our Directors may also be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company in the normal course of business with any company in which they hold directorships or any partnership firm in which they are partners. For further details, see ‘Restated Consolidated Financial Information - Note 44 - Related Party Disclosures’ on page 408.

Interest in the promotion/formation of our Company

Except for our Chairman and Managing Director, Maddisetty Venugopal Rao, and the Whole Time Directors Padma Venugopal Maddisetty and Rajiv Maddisetty, none of our Directors have any interest in the promotion or formation of our Company.

Interest as to property

Except as stated below, none of our Directors are interested in any property acquired or proposed to be acquired of our Company:

Particulars	Address	Leased / Owned	Lessor / Licensor	Validity
Registered and Corporate office	Plot # V-12, Industrial Estate, Kumbalgodu, Bengaluru Mysore Highway, Bengaluru – 560074.	Leased	Pace Power Systems*	July 31, 2026
Office	Second Floor, No.27-A, Kumbalgodu Industrial Area, 1 st Phase, Mysore Road, Bangalore, Karnataka, India, 560074	Leased	Pace Power Systems*	July 31, 2026

*Maddisetty Venugopal Rao and Padma Venugopal Maddisetty are the partners of Pace Power Systems.

Loans to Directors

Our Directors have not availed any loans from our Company.

Other interest

No sum has been paid or agreed to be paid to our Directors or to any firms or companies in which they may be partners or members respectively, in cash or shares or otherwise by any person either to induce him / her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Changes in our Board in the last three years

Except for the following, there has been no change in the Board of Directors of the Company, in the last 3 years.

Sr. No.	Name	Date of Appointment/ Change in Designation/Cessation	Reasons
1.	Maddisetty Venugopal Rao	January 7, 2025	Appointment as the Chairman and Managing Director
2.	Padma Venugopal Maddisetty	January 7, 2025	Change in designation from Director to Whole - Time Director
3.	Rajiv Maddisetty	January 7, 2025	Change in designation from Director to Whole - Time director
4.	Satishchandra B Ogale	January 7, 2025	Appointment as an Independent Director
5.	Om Prakash Mishra	January 7, 2025	Appointment as an Independent Director
6.	Prabhakar Reddy Patil	February 1, 2025	Appointment as an Independent Director

Corporate Governance

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations and the Companies Act, 2013 in respect of corporate governance pertaining to the constitution of our Board and committees thereof and formulation of policies.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas.

As on the date of this Red Herring Prospectus, our Board comprises 6 Directors (including 1 woman director), of whom 3 are Executive Directors and 3 are Independent Directors.

Committees of our Board

Our Board has constituted the following committees of the Board in terms of the SEBI Listing Regulations and the Companies Act:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee;
5. Risk Management Committee; and

For the purpose of the Issue, our Board has also constituted an IPO Committee.

In addition to the above, our Board may, from time to time, constitute committees to delegate certain powers for various functions, in accordance with applicable laws.

Audit Committee

The Audit Committee of our Board was constituted by a resolution of our Board at their meeting held on February 1, 2025. The constitution of the Audit Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Prabhakar Reddy Patil	Independent Director	Chairman
2.	Satishchandra B Ogale	Independent Director	Member
3.	Om Prakash Mishra	Independent Director	Member
4.	Maddisetty Venugopal Rao	Chairman and Managing Director	Member

The Company Secretary will act as the Secretary of the Committee.

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

Terms of Reference for the Audit Committee:

The Audit Committee shall be responsible for, among other things, from time to time, the following:

A. Powers of the Audit Committee

The powers of the Audit Committee shall include the following:

1. to investigate any activity within its terms of reference;
2. to seek information from any employee;
3. to obtain outside legal or other professional advice;
4. management discussion and analysis of financial condition and results of operations;
5. to secure attendance of outsiders with relevant expertise, if it considers necessary; and
6. such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

B. Role of the Audit Committee

The role of the Audit Committee shall include the following:

1. oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

2. recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. formulation of a policy on related party transactions, which shall include materiality of related party transactions;
5. reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.
6. examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
7. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
8. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
9. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
10. approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
11. laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
12. scrutiny of inter-corporate loans and investments;
13. valuation of undertakings or assets of the Company, wherever it is necessary;
14. evaluation of internal financial controls and risk management systems;
15. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
16. 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;
17. discussion with internal auditors of any significant findings and follow up thereon;

18. 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;
19. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
20. recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
21. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
22. reviewing the functioning of the whistle blower mechanism;
23. monitoring the end use of funds raised through public issues and related matters;
24. overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
25. approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
26. reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
27. to consider and comment on the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company's shareholders;
28. to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and
29. carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by a resolution of our Board at their meeting held on February 1, 2025. The constitution of the Nomination and Remuneration Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Satishchandra B Ogale	Independent Director	Chairman
2.	Prabhakar Reddy Patil	Independent Director	Member
3.	Om Prakash Mishra	Independent Director	Member

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

Terms of Reference for the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (**Board or Board of Directors**) a policy relating to the remuneration of the directors, key managerial personnel and other employees (**Remuneration Policy**);

2. the Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
 - a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals;
3. formulation of criteria for evaluation of performance of independent directors and the Board;
4. devising a policy on Board diversity;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;
6. reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;
7. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates,
8. extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
9. evaluation and recommendation of termination of appointment of directors in accordance with the Board's governance principles for cause or for other appropriate reasons;
10. making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel;
11. recommending to the Board, all remuneration, in whatever form, payable to senior management, including revisions thereto;
12. administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;
13. framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:
 - a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
 - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended

14. carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;
15. performing such other functions as may be necessary or appropriate for the performance of its duties;
16. periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;
17. authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;
18. ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act;
19. developing a succession plan for our Board and senior management and regularly reviewing the plan;
20. ensuring that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
21. consideration and determination of the Remuneration Policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Nomination and Remuneration Committee shall deem appropriate; and
22. perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act to the extent notified and effective, as amended or by the SEBI Listing Regulations, as amended or by any other applicable law or regulatory authority.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of our Board was constituted by a resolution of our Board at their meeting held on February 1, 2025. The constitution of the Stakeholders' Relationship Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Om Prakash Mishra	Independent Director	Chairman
2.	Prabhakar Reddy Patil	Independent Director	Member
3.	Rajiv Maddisetty	Whole-time Director	Member

Terms of Reference for the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

The terms of reference of the Stakeholders' Relationship Committee include the following:

1. considering and specifically looking into various aspects of interests of shareholders, debenture holders and other security holders;
2. resolving the grievances of the security holders of the listed entity including complaints related to allotment of shares, transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, depository receipt, non-receipt of annual report , balance sheet or profit and loss account, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
3. review of measures taken for effective exercise of voting rights by shareholders;
4. investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
5. giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

6. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
7. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
8. carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of our Board was re-constituted by a resolution of our Board at their meeting held on February 1, 2025. The constitution of the Corporate Social Responsibility Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Maddisetty Venugopal Rao	Chairman and Managing Director	Chairman
2.	Padma Venugopal Maddisetty	Whole-time Director	Member
3.	Satishchandra B Ogale	Independent Director	Member

The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act.

Terms of Reference for the Corporate Social Responsibility Committee

The terms and reference of the Corporate Social Responsibility Committee include the following:

1. formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended (**Companies Act**), monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
3. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
6. assistance to the Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act;
7. providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;
8. providing updates to our Board at regular intervals of six months on the corporate social responsibility activities;

9. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
10. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board at their meeting held on February 1, 2025. The members of the Risk Management Committee are:

Sr. No.	Name of the Director	Director	Position in the Committee
1.	Rajiv Maddisetty	Whole-time Director	Chairman
2.	Maddisetty Venugopal Rao	Chairman and Managing Director	Member
3.	Om Prakash Mishra	Independent Director	Member

The scope and functions of the Risk Management Committee are in accordance with Section 178 of the Companies Act and the Regulation 21 of the SEBI Listing Regulations.

Terms of Reference for the Risk Management Committee

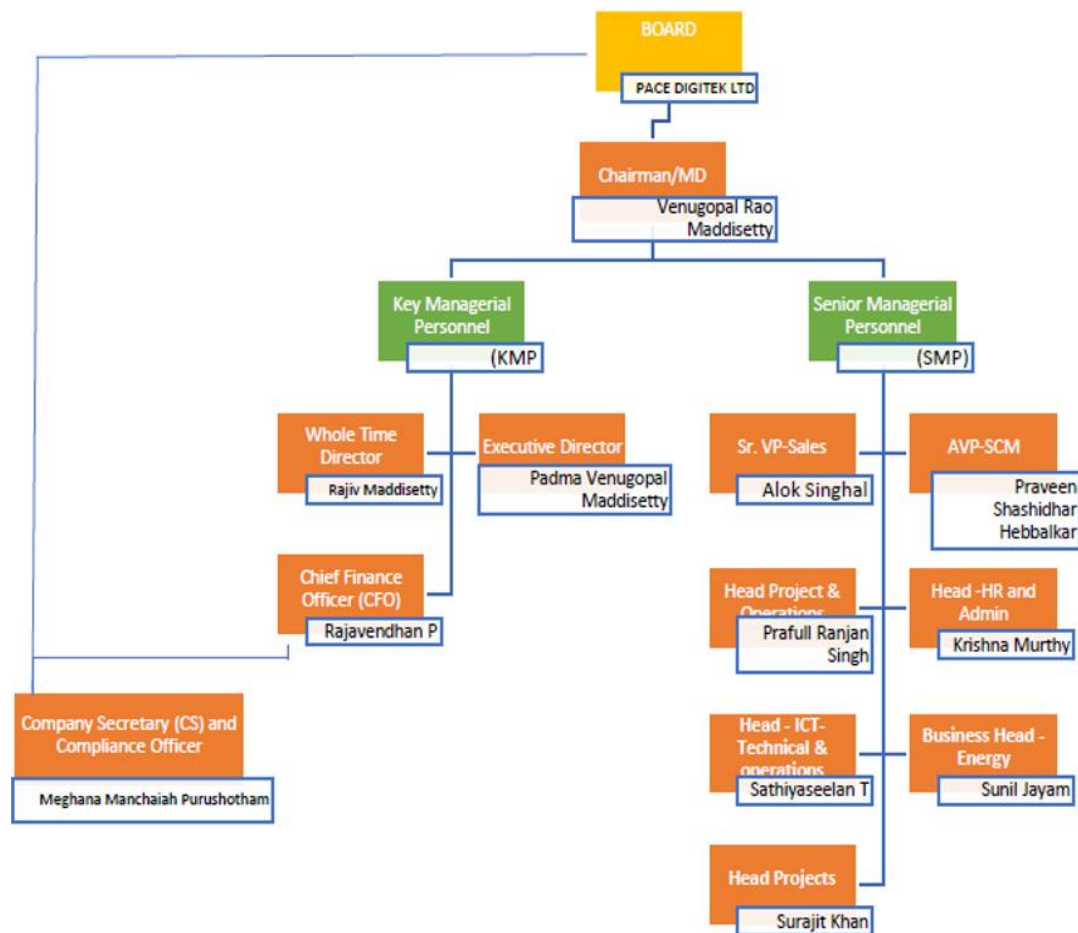
The terms of reference of the Risk Management Committee include the following:

1. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof. The risk management policy shall include the following:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks; and
 - c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
4. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
5. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
6. To implement and monitor policies and/or processes for ensuring cyber security;
7. To frame, devise and monitor risk management plan and policy of the Company, including evaluating the adequacy of risk management systems;
8. To review and recommend potential risk involved in any new business plans and processes;
9. To review the Company's risk-reward performance to align with the Company's overall policy objectives;
10. Monitor and review regular updates on business continuity;
11. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and

12. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013, as amended or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

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Management Organisation Structure



Key Managerial Personnel and Senior Management

In addition to Maddisetty Venugopal Rao, our Chairman and Managing Director, Padma Venugopal Maddisetty, our Whole Time Director and Rajiv Maddisetty, our Whole Time Director, whose details have been provided under the paragraph '*Brief profile of our Directors*' on page 332, the details of our other Key Managerial Personnel as on the date of this Red Herring Prospectus, are as follows:

1. P Rajavendhan, Chief Financial Officer; and
2. Meghana M P, Company Secretary and Compliance Officer

Brief Profiles of our Key Managerial Personnel

P Rajavendhan is the Chief Financial Officer of our Company. He has been associated with our Company since June 02, 2022 and has been designated as a Key Managerial Personnel with effect from October 16, 2024. He holds a Bachelor's degree in Commerce from University of Madras. He is a qualified chartered accountant and a member of the Institute of Chartered Accountants of India. He is responsible for the financial operations of the Company. He was previously associated with Solara Active Pharma Sciences Limited, Sterlite Industries Limited and Vedanta Limited. The remuneration paid to him during Fiscal 2025 was ₹ 6.20 million.

Meghana M P, is the Company Secretary and Compliance Officer of the Company. She has been associated with our Company since October 16, 2024. She has completed LLB from Karnataka State Law University and holds a bachelor's degree of commerce (Accounts) from St. Joseph's College of Commerce, Bangalore University. She is an associate member of Institute of Company Secretaries of India. She is responsible for secretarial and statutory compliance of the Company. Prior to joining our Company, she was associated with Anlon Technology Solutions Limited, Synthetic Packers Private Limited, Microland Limited, DS-Max properties Private Limited, and K.S. Ramasubramanian. She was also appointed as company secretary of our Subsidiary i.e., Pace Renewable Energy Private Limited with effect from March 10, 2025. The remuneration paid to her during Fiscal 2025 by our Company was ₹ 0.84 million and by our Subsidiary i.e., Pace Renewable Energy Private Limited was ₹ 0.12 million.

Senior Management

The details of our Senior Management as on the date of this Red Herring Prospectus, are as follows:

1. Sunil Jayam – Business Head – Energy;
2. Prafull Ranjan Singh – Head – Projects & Operations (Telecom);
3. Sathya Seelan T – Head – ICT – Technical & Operations;
4. Alok Singhal – Senior Vice President (SVP) – Sales;
5. Surajit Khan – Head – Projects;
6. Praveen Shashidhar Hebbalkar – Group Head – SCM;
7. Krishna Murthy – Head – HR and Admin

Brief Profiles of our Senior Management

Sunil Jayam is the Business Head – Energy of our Company. He has been associated with the Company since September 4, 2024. He holds a degree of Bachelor of Engineering from Bangalore University. He is responsible for business development, tendering process & contract management. He was previously associated with Matrix Gas and Renewables Limited and with Jakson Green Infinity Private Limited. The remuneration paid to him during Fiscal 2025 was ₹ 2.60 million.

Prafull Ranjan Singh is the Head – Projects & Operations (Telecom) of our Company. He has been associated with the Company since June 17, 2024. He holds a degree of Bachelor of Engineering from University of Pune. He is responsible for overseeing the management and execution of telecommunications projects. He was

previously associated with SRFM Calculus India Private Limited, Hitachi Payment Services Private Limited, Reliance Communications Limited, Veekay Industries, BWL Limited and with TVS R&M Limited. The remuneration paid to him during Fiscal 2025 was ₹ 5.74 million.

Sathya Seelan T is the Head – ICT – Technical & Operations of our Company. He has been associated with the Company since January 3, 2024. He holds a bachelor's degree in Bank Management from University of Madras, Faculty of Commerce. He has also completed Degree of Master of Computer Applications from Faculty of Science, University of Madras. He is responsible for tendering & bidding for telecommunication projects, and contracts management. He was previously associated with Ashoka Buildcon Limited, Larsen & Toubro, Chubb Alba Control Systems Limited, Firepro Systems Private Limited, Digi Connect, Sri Ramachandra Medical College & Research Institute, MS Infotech, Radiant Software Limited, EI Net-3L Academy, and First Computers. The remuneration paid to him during Fiscal 2025 was ₹ 7.08 million.

Alok Singhal is the Senior Vice President (SVP) – Sales of our Company. He was associated with our Subsidiary i.e., Lineage Power Private Limited since October 27, 2022 till August 30, 2024, and has been associated with our Company since September 1, 2024. He holds a degree of Bachelor of Engineering in (Electronics) from Shivaji University, Kolhapur. He also completed his Post Graduate Diploma in Business Management from Institute of Productivity & Management, Meerut. He also holds an executive certificate in Strategic Management from Indian Institute of Management, Kashipur. He is responsible for global sales, operations and performance management and strategic market development. He was previously associated with Space Telelink Limited. The remuneration paid to him during Fiscal 2025 by our Subsidiary i.e., Lineage Power Private Limited was ₹ 1.86 million for the period April 1, 2024 till August 31, 2024, and by our Company was ₹ 3.43 million for the period September 1, 2024 till March 31, 2025.

Surajit Khan is the Head – Projects of our Company. He has been associated with our Company since September 10, 2018. He holds a bachelor's degree of Mechanical Engineering from Jadavpur University, Calcutta and a Post Graduate Diploma in Management from Indian Institute of Management, Lucknow. He is responsible for planning and execution of projects. He was previously associated with Qess Corp Limited, Essential Energy India Private Limited, with Viom Networks Limited (now American Tower Ltd.), Bharti Infratel Ltd (now, Indus Tower), Otis Elevator Company (India) Limited, Axiant Consulting Pte Ltd, Singapore, IMS Learning Resources Private Limited, Otis Elevator Co. Ltd, and with the National Productivity Council. The remuneration paid to him during Fiscal 2025 was ₹ 7.07 million.

Praveen Shashidhar Hebbalkar is the Group Head – SCM of our Company. He has been associated with the Company since October 30, 2024. He holds a bachelor's degree in Engineering (Industrial Production) from Karnataka University Dharwad and diploma in Business Management (D.B.M) from Deccan Education Society's, Institute of Management Development & Research, Pune. He is responsible for product manufacturing services and projects. He was previously associated with Matrix Gas & Renewable Limited, Homi Hydrogen Private Limited, Ohmium International Inc., and Flowserve India Controls Private Limited. The remuneration paid to him during Fiscal 2025 was ₹ 2.01 million.

Krishna Murthy is the Head – HR and Admin of our Company. He has been associated with our Company since June 23, 2025. He holds a bachelor's degree in arts and master's degree in social work from Mangalore University. He is responsible for managing human resources department of our company. He was previously associated with PlasmaGen Bioscience Private Limited, and Micro Labs Limited. Since he was appointed in our Company with effect from June 23, 2025, he has not received any remuneration in Fiscal 2025.

Relationship amongst our Key Managerial Personnel and Senior Management

Other than as mentioned in '*Relationship amongst our Directors and Key Managerial Personnel and, or Senior Management*' at page 332, none of our Key Managerial Personnel and Senior Management are related to each other:

Arrangements and Understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management have been selected pursuant to any arrangement or understanding with any Shareholders, customers or suppliers or others.

Retirement and termination benefit

Except for applicable statutory benefits, none of our Key Managerial Personnel and Senior Management would receive any benefits on their retirement or on termination of their employment with our Company.

Service Contracts with Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management have entered into any service contract with our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management which does not form part of their remuneration.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management

Except as disclosed in ‘Our Management - Shareholding of Directors in our Company’ on page 335 and as mentioned below, none of the Key Managerial Personnel or members of Senior Management hold any Equity Shares in our Company:

Sr. No.	Name of the Key Managerial Personnel/Senior Management	Number of Equity Shares held	Percentage of total pre-Issue paid up equity share capital (%)
1.	Maddisetty Venugopal Rao	50,033,310	28.04
2.	Padma Venugopal Maddisetty	49,983,330	28.01
3.	Rajiv Maddisetty	24,991,680	14.01
4.	P Rajavendhan	1,500	Negligible
5.	Alok Singhal	9,000	0.01
6.	Prafull Ranjan Singh	750	Negligible
7.	Sathya Seelan T	3,780	Negligible
8.	Sunil Jayam	1,500	Negligible
9.	Surajit Khan	1,500	Negligible
10.	Praveen Shashidhar Hebbalkar	3,570	Negligible

Bonus or Profit-Sharing Plan of Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company other than performance based discretionary incentives given to the Key Managerial Personnel and Senior Management.

Changes in the Key Managerial Personnel and Senior Management

Except as disclosed below and as disclosed in ‘Our Management – Changes in our Board in the last three years’ on page 336, there have been no changes in the Key Managerial Personnel and Senior Management in the last 3 years:

Name	Designation	Date of appointment / change / cessation	Reasons
Bhaskara Rao Y	AVP – Product Services	June 30, 2025	Resigned as AVP – Product Services
Krishna Murthy	Head – HR and Admin	June 23, 2025	Appointment as Head – HR and Admin

Name	Designation	Date of appointment / change / cessation	Reasons
Praveen Shashidhar Hebbalkar	Group Head – SCM	October 30, 2024	Appointment as Group Head – SCM
Meghana M P	Company Secretary and Compliance Officer	October 16, 2024	Appointment as Company Secretary and Compliance Officer
P Rajavendhan	Chief Finance Officer	October 16, 2024	Appointment as Chief Finance Officer
Sunil Jayam	Business Head – Energy	September 4, 2024	Appointment as Business Head – Energy
Bhaskara Rao Y	AVP – Product Services	September 1, 2024	Appointment as AVP – Product Services
Alok Singhal	Vice President - Sales	September 1, 2024	Appointment as Senior Vice President (SVP) - Sales
Prafull Ranjan Singh	Head – Projects and Operations	June 17, 2024	Head- Projects & Operations (Telecom)
Sathya Seelan T	Head – ICT – Technical & Operations	January 3, 2024	Appointment as Head – ICT – Technical & Operations

Interests of Key Managerial Personnel and Senior Management

Except as disclosed under ‘Our Management – Interest of Directors’ and ‘Restated Consolidated Financial Information - Note 44 - Related Party Disclosures’, on pages 335 and 408 our Key Managerial Personnel and members of Senior Management do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and statutory benefits such as gratuity, provident fund and pension entitled to our Key Managerial Personnel and members of Senior Management. The Key Managerial Personnel and members of Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares, if any, held by them in the Company.

Attrition of Key Managerial Personnel and Senior Management vis-à-vis industry

The rate of attrition of our Key Managerial Personnel and our Senior Management is not high in comparison to the industry in which we operate.

Payment or benefits to Directors or Key Managerial Personnel and Senior Management (non-salary related)

Except as disclosed above under ‘Interest of our Directors’ on page 335, ‘Interests of Key Managerial Personnel and Senior Management’ on page 349 and as stated in see ‘Restated Consolidated Financial Information – Note 44 - Related Party Disclosures’ on page 408, no amount or benefit has been paid or given within the 2 years preceding the date of filing of this Red Herring Prospectus or intended to be paid or given to any officer of our Company, including our Directors, Key Management Personnel and Senior Management.

Employee Stock Option Scheme

Our Company has not formulated an employee stock option plan.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

1. Maddisetty Venugopal Rao;
2. Padma Venugopal Maddisetty;
3. Rajiv Maddisetty; and
4. Lahari Maddisetty.

As on date of this Red Herring Prospectus, our Promoters hold 150,000,000 Equity Shares constituting 84.07 % of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth below:

Sr. No.	Name of the Promoter	No. of Equity Shares	Percentage of the pre-Issue Equity Share capital (%)
1.	Maddisetty Venugopal Rao	50,033,310	28.04
2.	Padma Venugopal Maddisetty	49,983,330	28.01
3.	Rajiv Maddisetty	24,991,680	14.01
4.	Lahari Maddisetty	24,991,680	14.01
Total		150,000,000	84.07

Brief Profiles of our Promoters

	Maddisetty Venugopal Rao Date of Birth: January 1, 1966 PAN: AFNPM2853D Maddisetty Venugopal Rao, aged 59 years, is the Promoter, Chairman and Managing Director of our Company. Other than the entities forming part of the Promoter Group, he is not involved in any other venture. For a complete profile of Maddisetty Venugopal Rao, including his educational qualifications, residential address, professional experience, other directorships etc., see '<i>Our Management – Brief Profile of Our Director</i>' on page 332.

	Padma Venugopal Maddisetty Date of Birth: June 15, 1971 PAN: ADZPP6443Q Padma Venugopal Maddisetty, aged 54 years, is the Promoter and Whole Time Director of our Company. Other than the entities forming part of the Promoter Group, she is not involved in any other venture. For a complete profile of Padma Venugopal Maddisetty, including her educational qualifications, residential address, professional experience, other directorships etc., see <i>'Our Management - Brief Profile of Our Director'</i> on page 332.
	Rajiv Maddisetty Date of Birth: March 23, 1994 PAN: CABPM4197H Rajiv Maddisetty, aged 31 years, is the Promoter and Whole Time Director of our Company. Other than the entities forming part of the Promoter Group, he is not involved in any other venture. For a complete profile of Rajiv Maddisetty, including his educational qualifications, residential address, professional experience, other directorships etc., see <i>'Our Management - Brief Profile of Our Director'</i> on page 332.
	Lahari Maddisetty Date of Birth: June 8, 2002 Address: No.09, Tusti, Amma School Road, 2nd Stage, Ullal Main Road, Jnana Bharathi, Bengaluru-560056 PAN: GCRPM9272H Lahari Maddisetty, aged 23 years, is the Promoter of our Company. She has completed her bachelor's degree of Arts in business management from University of Leeds. She has no experience in the sector our Company operates. Other Directorship: Nil Other than the entities forming part of the Promoter Group, she is not involved in any other venture.

Our Company confirms that the permanent account number, bank account number, passport number, aadhar card number and driving license number of our Promoters were submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

Interests of our Promoters

Interest in the promotion of our Company

Our Promoters are interested in our Company to the extent: (a) that they have promoted our Company; (b) of their respective shareholding in our Company, the shareholding of their relatives and entities in which the Promoters are interested and which hold the Equity Shares, and the dividends payable upon such shareholding, if any; (c) any other distributions in respect of the Equity Shares held by them, their relatives or such entities, if any; (d) of being the Directors and Key Managerial Personnel of our Company and the sitting fees/remuneration, benefits and reimbursement of expenses, payable to them as per the terms of their employment by our Company; and (e) to the extent of related party transactions with them, or their relatives or entities in which our Promoters hold shares or have an interest, if applicable. For further details of our Promoters, see ‘*Summary of the Issue Document - Summary of Related Party Transactions*’, ‘*Capital Structure – Build-up of the Promoters’ shareholding in our Company*’ and ‘*Our Management - Interest of our Directors*’ on page 23 and 131.

Interest in our Company arising out of being a member of a firm or company

None of our Promoters are interested as a member of a firm or company and no sum has been paid or agreed to be paid to any of our Promoters or to any such firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a director, or otherwise, for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.

Interest in the property (including acquisition of land, construction of building and supply of machinery) of our Company

Save and except as disclosed below and in the ‘*Restated Consolidated Financial Information-Related Party Disclosures*’, none of our Promoters have an interest in any property acquired by or leased to our Company during the 3 years immediately preceding the date of this Red Herring Prospectus or proposed to be acquired or leased to our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery:

Particulars	Address	Leased / Owned	Lessor / Licensor	Validity
Registered and Corporate Office	Plot # V-12, Industrial Estate, Kumbalgodu, Bengaluru Mysore Highway, Bengaluru – 560074.	Leased	Pace Power Systems*	July 31, 2026
Operations office	Second Floor, No.27-A, Kumbalgodu Industrial Area, 1 st Phase, Mysore Road, Bangalore, Karnataka, India, 560074	Leased	Pace Power Systems*	July 31, 2026

* Maddisetty Venugopal Rao and Padma Venugopal Madisetty are the partners of Pace Power Systems.

For further details, see ‘*Restated Consolidated Financial Information – Note 44 - Related Party Disclosures*’ on page 408.

Payment or benefits to our Promoters or to the members of our Promoter Group

Except as stated in ‘*Our Management*’ and ‘*Restated Consolidated Financial Information – Note 44 – Related party Disclosures*’ on pages 328 and 408, there has been no direct or indirect contracts, agreements or any other arrangements pursuant which any amount, payment or benefit paid or given, respectively, to our Promoters or Promoter Group during 2 years prior to the date of this Red Herring Prospectus and no amount, payment or benefit is intended to be paid or given to any of our Promoters or the members of our Promoter Group.

Material guarantees given by our Promoters with respect to the Equity Shares

As on the date of this Red Herring Prospectus, our Promoters have not given any material guarantees to any third party with respect to the Equity Shares.

For further details with respect to personal guarantees given by our Promoters to any third party see '*History and Certain Corporate Matters*' and '*Financial Indebtedness*' on pages 315 and 464.

Change in the control of our Company

There has been no change in control of our Company in the last 5 years immediately preceding the date of this Red Herring Prospectus.

Companies with which our Promoters have disassociated in the last 3 years

Except as disclosed below, our Promoters have not disassociated themselves from any company in the last 3 years preceding the date of filing of this Red Herring Prospectus:

Name of Promoter	Name of Companies from which the Promoter has disassociated	Date and Reason for Dissociation
Maddisetty Venugopal Rao	Lanarsy Infra Limited	Cessation of directorship on February 12, 2024 and sale of shares on November 19, 2024
	Arka Insurance Broking Private Limited	Cessation of directorship on January 31, 2023 and sale of shares on March 29, 2024.
	NOPL Pace Green Energy Private Limited	Cessation of directorship on October 1, 2024
	Qogno Digital Infrastructure Private Limited	Cessation of directorship on October 13, 2023
Padma Venugopal Maddisetty	Lanarsy Infra Limited	Cessation of directorship on February 12, 2024 and sale of shares on September 24, 2024
Rajiv Maddisetty	Qogno Digital Infrastructure Private Limited	Cessation of directorship on October 13, 2023
	Aisri Developers Private Limited	Cessation of directorship on July 24, 2025

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters have not been declared as Wilful Defaulters or Fraudulent Borrowers, as defined in the SEBI ICDR Regulations.

Except as disclosed in the '*Outstanding Litigation and Other Material Developments - Litigations involving our Promoters*' on page 485, there is no litigation or legal or disciplinary action pending or taken by any ministry, department of the Government or statutory authority during the last 5 years preceding the date of this Red Herring Prospectus against our Promoters.

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Our Promoters do not have a conflict of interest with the suppliers of raw materials and third party service providers (crucial for operations of the Company) or with lessors of our immovable property (crucial for operations of the Company).

Our Promoter Group

In addition to our Promoters, the following persons and entities form part of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

Natural persons who are part of the Promoter Group

Name of Promoter	Relationship	Name of the Relative
Maddisetty Venugopal Rao	Spouse	Padma Venugopal Maddisetty
	Mother	Maddisetty Kasturamma
	Brother	Maddisetty Shridhar
	Brother	M Ravindra
	Brother	Vasubabu Maddisetty
	Daughter	Lahari Maddisetty
	Son	Rajiv Maddisetty
	Spouse's Mother	Kammisetty Lakshmi Tayaramma
	Spouse's Brother	Kammisetty Suresh
Padma Venugopal Maddisetty	Spouse	Maddisetty Venugopal Rao
	Mother	Kammisetty Lakshmi Tayaramma
	Brother	Kammisetty Suresh
	Daughter	Lahari Maddisetty
	Son	Rajiv Maddisetty
	Spouse's Mother	Maddisetty Kasturamma
	Spouse's Brother	Maddisetty Shridhar
	Spouse's Brother	M Ravindra
	Spouse's Brother	Vasubabu Maddisetty
Rajiv Maddisetty	Spouse	Rohitha Mudduluru
	Mother	Padma Venugopal Maddisetty
	Father	Maddisetty Venugopal Rao
	Sister	Lahari Maddisetty
	Son	Avyaan Maddisetty
	Spouse's Father	M Sanjeeva Raju
	Spouse's Mother	Sunitha Mudduluru
	Spouse's Brother	Mudduluru Dheeraj Varma
Lahari Maddisetty	Mother	Padma Venugopal Maddisetty
	Father	Maddisetty Venugopal Rao
	Brother	Rajiv Maddisetty

Entities forming part of the Promoter Group of our Promoters

Sr. No.	Name	Shareholding of Promoters / Promoter Group
1.	HKM Exports	Maddisetty Shridhar (member of Promoter Group) is a partner in the firm with 50% profit / loss sharing.
2.	HKM Aqua Farms	Maddisetty Shridhar (member of Promoter Group) is a partner in the firm with 50% profit / loss sharing.
3.	Pace Infra	Maddisetty Shridhar and M Ravindra (members of Promoter Group) are partners in the firm with 49% and 51% profit / loss sharing, respectively.

Sr. No.	Name	Shareholding of Promoters / Promoter Group
4.	Pace Solutions India Private Limited	Vasubabu Maddisetty (member of Promoter Group) holds 50% shareholding.
5.	Lanarsy Infra Limited	Vasubabu Maddisetty, Maddisetty Shridhar, M Ravindra (members of Promoter Group) hold 66.62%, 0.04% and 0.04% shareholding, respectively.
6.	Qogno Digital Infrastructure Private Limited	Maddisetty Venugopal Rao (one of the Promoters) holds 51% shareholding.
7.	Venugopalrao Maddisetty HUF	Maddisetty Venugopal Rao (Karta), Padma Venugopal Maddisetty (Member of HUF), Rajiv Maddisetty (Member of HUF), Lahari Maddisetty (Member of HUF) and Rohitha Mudduluru (Member of HUF).
8.	MSR Infraa	M Sanjeeva Raju and Sunitha Mudduluru (members of Promoter Group) are partners in the firm with 50% profit / loss sharing.
9.	Mudduluru Infratech	M Sanjeeva Raju and Mudduluru Dheeraj Varma (members of Promoter Group) are partners in the firm with 60% and 40% of profit / loss sharing, respectively.
10.	Pace Power Africa Limited	Maddisetty Venugopal Rao and Padma Venugopal Maddisetty (Promoters) each hold 50% shareholding.
11.	Pace Telecoms Infra Solutions Limited	Pace Power Mauritius Limited (member of Promoter Group) and Maddisetty Venugopal Rao (one of the Promoters) holds 99% and 1% shareholding, respectively.
12.	Pace Power Rwanda Limited	Pace Power Mauritius Limited (member of Promoter Group) and Maddisetty Venugopal Rao (one of the Promoters) holds 99% and 1% shareholding, respectively.
13.	Pace Power Tanzania Limited	Pace Power Mauritius Limited (member of Promoter Group) and Maddisetty Venugopal Rao (one of the Promoters) holds 99% and 1% shareholding, respectively.
14.	Pace Power Kenya Limited	Pace Power Mauritius Limited (member of Promoter Group) and Maddisetty Venugopal Rao (one of the Promoters) holds 99% and 1% shareholding, respectively.
15.	Pace Power Uganda Limited	Pace Power Mauritius Limited (member of Promoter Group) and Maddisetty Venugopal Rao (one of the Promoters) holds 99.9% and 0.1% shareholding, respectively.
16.	Pace Power Zambia Limited	Pace Power Mauritius Limited (member of Promoter Group) and Maddisetty Venugopal Rao (one of the Promoters) holds 99% and 1% shareholding, respectively.
17.	Pace Power Mauritius Limited	Maddisetty Venugopal Rao (one of the Promoters) holds 100% shareholding.
18.	Pace Power Systems	Maddisetty Venugopal Rao and Padma Venugopal Maddisetty (Promoters) are partners in the firm with 50% profit / loss sharing.
19.	Srinivasa Educational Society	Maddisetty Venugopal Rao (President), Vasubabu Maddisetty (Vice President) Padma, Madisetty Sridhar (Secretary and Correspondent) PadmaVenugopal Maddisetty (Treasurer).
20.	Rajiv Maddisetty HUF	Rajiv Maddisetty (Karta) and Rohitha Mudduluru (Member of HUF).
21.	Ghousia Estate	Maddisetty Venugopal Rao and Padma Venugopal Maddisetty (Promoters) are partners in the firm with 50% profit / loss sharing.
22.	Kanteli Estate	Maddisetty Venugopal Rao and Padma Venugopal Maddisetty (Promoters) are partners in the firm with 50% profit / loss sharing.
23.	Devanari Estate	Maddisetty Venugopal Rao and Padma Venugopal Maddisetty (Promoters) are partners in the firm with 50% profit / loss sharing.
24.	Lineage Power Private Limited	Pace Digitek Limited (Company) and Maddisetty Venugopal Rao, Padma Venugopal Maddisetty (Promoters) hold 79.73%, 10.13% and 10.13% of the shareholding, respectively.
25.	Inso Pace Private Limited	Pace Digitek Limited (Company) and Maddisetty Venugopal Rao (one of Promoters) each hold 51% and 49% of the shareholding, respectively.

Sr. No.	Name	Shareholding of Promoters / Promoter Group
26.	Aisri Developers Private Limited	Rajiv Maddisetty (one of Promoters) holds 50% of the shareholding.
27.	Vpace Realtek Private Limited	Maddisetty Venugopal Rao and Rajiv Maddisetty (Promoters) hold 50% and 40% of the shareholding, respectively.

GROUP COMPANIES

Under the SEBI ICDR Regulations, the definition of ‘Group Companies’ includes (a) such companies (other than the promoters and subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under applicable accounting standards, and (b) such other companies as are considered material by the board of directors of the issuer company. Pursuant to a Board resolution dated August 30, 2025 our Board formulated a policy with respect to companies which it considered material to be identified as Group companies.

Accordingly, for (a) above, all such companies with which the Company had related party transactions during the period covered in the Restated Consolidated Financial Information, as covered under the applicable accounting standards, are considered as Group Companies in terms of the SEBI ICDR Regulations. For (b) above, our Board does not consider any company as Group Company(ies).

Set forth below, based on the aforementioned criteria, are the details of our Group Companies as on the date of this Red Herring Prospectus.

1. Qogno Digital Infrastructure Private Limited

Corporate Information

The registered office of Qogno Digital Infrastructure Private Limited is S-407, 4th floor, World Trade Centre, Dr. Rajkumar Road, Yeshwanthpur, Bengaluru, Karnataka, India, 560010. Its company identification number is U64200KA2018PTC116341.

Financial Performance

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the latest unaudited financial statement of Qogno Digital Infrastructure Private Limited for Fiscal 2023 are available at <https://www.pacedigitek.com/investor-relations>. The financial statements of Qogno Digital Infrastructure Private Limited have not been audited for Fiscal 2023, and the financial statements of Qogno Digital Infrastructure Private Limited have not been prepared and audited for Fiscal 2024 and 2025. Also, see ‘Risk Factors - The financial statements of 3 of our Group Companies for certain period are not available. Accordingly, in the absence of the select financial information of some of our Group Companies including for certain financial period, prospective investors must rely on their own examination of our Group Companies in making an investment decision’ on page 50.

2. Lanarsy Infra Limited

Corporate Information

The registered office of Lanarsy Infra Limited is # 6, 4th Cross, Maruthi Nagar, Chandra Layout, Bengaluru, Karnataka, India, 560040. Its company identification number is U45200KA2011PLC061346.

Financial Performance

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the latest audited financial statements of Lanarsy Infra Limited, for Fiscals 2024, Fiscals 2023 and 2022 are available at <https://www.pacedigitek.com/investor-relations>. Lanarsy Infra Limited has not prepared its audited financial statements for Fiscal 2025.

3. Pace Power Tanzania Limited

Corporate Information

The registered office of Pace Power Tanzania Limited is Plot No. 593/1, Street Ngorongoro, Dar es salaam, District Kinondoni, Ward Mikocheni, Postal code 14112, Tanzania. Its incorporation number is 90222.

Financial Performance

As per the certificate received from David G.W. & Associates being Certified Public Accountants, Pace Power Tanzania Limited was dormant for years 2024, 2023 and 2022, in accordance with the relevant provisions and accounting standards and the applicable regulations governing dormant companies. Also, see *'Risk Factors - The financial statements of 3 of our Group Companies for certain period are not available. Accordingly, in the absence of the select financial information of some of our Group Companies including for certain financial period, prospective investors must rely on their own examination of our Group Companies in making an investment decision'* on page 50.

4. Pace Power Africa Limited

Corporate Information

The registered office of Pace Power Africa Limited is P.O. Box 11866, Tom Mboya ST, Ngong Avenue, Building Plot No: 209/12966, IKM Place Ngong, Nairobi district, Africa. Its incorporation number is CPR/2010/22180.

Financial Performance

As per the certificate received from David G.W. & Associates being Certified Public Accountants, Pace Power Africa Limited was dormant for the financial years 2024, 2023, and 2022 in accordance with the relevant provisions and accounting standards and the applicable regulations governing dormant companies. Pace Power Africa Limited is currently active and has not yet prepared its audited financial statements for Fiscal 2025. Also, see *'Risk Factors - The financial statements of 3 of our Group Companies for certain period are not available. Accordingly, in the absence of the select financial information of some of our Group Companies including for certain financial period, prospective investors must rely on their own examination of our Group Companies in making an investment decision'* on page 50.

Nature and extent of interests of our Group Companies

In the promotion of our Company

Our Group Companies does not have any interest in the promotion or formation of our Company.

In the properties acquired by our Company

Our Group Companies does not have any interest in any property acquired by our Company in the 3 years preceding the date of filing this Red Herring Prospectus or proposed to be acquired by it as on date of this Red Herring Prospectus.

In transactions for acquisition of land, construction of building and supply of machinery

Except as disclosed in *'Restated Consolidated Financial Information – Note 44 – Related party Disclosures'* on page 408, our Group Companies does not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

Business interests in our Company

Except in the ordinary course of business and as disclosed under see *'Restated Consolidated Financial Information – Note 44 – Related party Disclosures'* on page 408, our Group Companies do not have any business interest in our Company.

Related Business Transactions within our Group Companies and significance on the financial performance of our Company

Except as disclosed under see *'Restated Consolidated Financial Information – Note 44 – Related party Disclosures'* on page 408, there are no related business transactions with the Group Companies.

Common pursuits of our Group Companies

Lanarsy Infra Limited is engaged in the same line of business as that of our Company. However, the objects of the memorandum of association of the Lanarsy Infra Limited permit them to undertake business that is similar to our Company. Pace Power Tanzania Limited was previously in the same line of business as that of our Company but is currently dormant. Whilst we cannot assure you that a conflict of interest will not arise if the entity decides to pursue such activities in future, our Company shall adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any instances of conflict of interest, if and when they may arise.

Litigation

Our Group Companies are not a party to any pending litigation which will have a material impact on our Company. We cannot assure you that any adverse decision in such proceeding will not have a material adverse effect on our business, result of operations and financial conditions.

Utilisation of Issue Proceeds

There are no material existing or anticipated transactions in relation to utilisation of the Issue Proceeds with our Group Companies.

Other Confirmations

Our Group Companies do not have a conflict of interest with the suppliers of raw materials and third party service providers (crucial for operations of the Company). Our Group Companies do not have any conflict of interest with lessors of our immovable property (crucial for operations of the Company).

As on the date of this Red Herring Prospectus, the securities of our Group Companies are not listed on any stock exchange, and, therefore, there are no investor complaints are pending against them.

DIVIDEND POLICY

The declaration and payment of dividends, if any will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable law, including the Companies Act. The dividend policy of our Company was adopted and approved by our Board in their meeting held on February 1, 2025. **(Dividend Policy)**.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividend in the foreseeable future. In terms of our Dividend Policy, our Board shall consider, *inter alia*, the following internal and external parameters while declaring or recommending dividends to our Shareholders: (i) distributable surplus available as per the Companies Act; (ii) profitable growth of our Company and specifically, profits earned during the financial year as compared with the previous year and our internal budgets; (iii) our Company's liquidity and cash flow position; (iv) capital expenditure; (v) cost of external financing; (vi) inflation rate; and (vii) changes in government policies, industry specific rulings and regulatory provisions, and any other factors that our Board may deem fit.

In addition, our ability to pay dividends may be impacted by a number of other factors, including any tax and regulatory changes in the jurisdiction in which our Company operates which significantly affects the business, taxation and other regulatory changes and restrictive covenants under our current or future loan or financing documents or arrangements, our Company is currently availing or may enter into finance our fund requirements for our business activities from time to time. For details in relation to the risk, see '*Financial Indebtedness*' on page 464.

Our Company may from time to time, pay interim dividends. Our past practices in relation to declaration of dividend and, or, the amount of dividend paid is not necessarily indicative of our future dividend declaration. There is no guarantee that any dividends will be declared or paid of any amount, or with any frequency in the future. For further details in relation to the risk involved, see '*Risk Factor - Our Company has not paid dividends in the last 3 Fiscals and up to the date of this Red Herring Prospectus. Further, there cannot be any assurance that our Company will be in a position to pay dividends in the future*'.

Our Company has not declared any dividends from April 1, 2025 till the date of this Red Herring Prospectus, and financial years ended March 31, 2025, March 31, 2024 and March 31, 2023.

SECTION VI: FINANCIAL INFORMATION
RESTATED CONSOLIDATED FINANCIAL INFORMATION

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Independent Auditor's Examination Report on Restated Consolidated Financial Information

To,

The Board of Directors

Pace Digitek Limited

(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

Plot No. V12, Industrial Estate, Kumbalgodu

Bangalore Mysore Highway

Bangalore, Karnataka,

India-560074

Dear Sirs / Madams,

1. We, S S Kothari Mehta & Co. LLP, Chartered Accountants, the statutory auditors of the Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) (the **"Company"** or the **"Holding Company"** or the **"Issuer"**) have examined the attached Restated Consolidated Financial Information of the Company and its subsidiaries including one step down subsidiary (the Company and its subsidiaries together referred to as the **"Group"**), comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023, 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 year ended March 31, 2025, March 31, 2024 and March 31, 2023 the summary statement of material accounting policies, and other explanatory information (collectively as the **"Restated Consolidated Financial Information"**), as approved by the Board of Directors of the Company at their meeting held on August 30, 2025 for the purpose of inclusion in Prospectus by the Company in connection with its proposed Initial Public Offer ("IPO") of equity shares of face value of Rs. 2 each ("Offer") prepared in the terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (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 Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (**"ICAI"**), as amended from time to time (the **"Guidance Note"**).
2. The Company's Board of Directors and management are responsible for the preparation of the Restated Consolidated Financial Information which have been approved by the Board of Directors for the purpose of inclusion in the prospectus to be filed with Securities and Exchange Board of India (the **"SEBI"**), the stock exchanges where the equity shares of the Company are proposed to be listed (**"Stock Exchanges"**) in connection with the proposed IPO. The Restated Consolidated Financial Information has been prepared by the Company on the basis of preparation stated in note 2 to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective Restated Consolidated Financial Information, which have been used for the purpose of preparation of this Restated Consolidated

Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, SEBI ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:
- a) The terms of reference and terms of our engagement agreed upon with the Company in accordance with our engagement letter dated April 30, 2024, in connection with the proposed IPO of equity shares of the Issuer;
 - b) The Guidance Note which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d) The requirements of Section 26 of the Act and the SEBI ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the proposed IPO.

4. This Restated Consolidated Financial Information has been compiled by the management of the Company from the following:
- a) Audited Consolidated Financial Statements as at and for the financial year ended March 31, 2025 prepared in accordance with Indian Accounting Standard (Ind AS) specified under section 133 of the Act and other accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors at their meeting held on August 11, 2025.
 - b) Audited Special Purpose Consolidated Financial Statements of the Group for the years ended March 31, 2024 and March 31, 2023 prepared by the Company in accordance with the basis of preparation in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act and other accounting principles generally accepted in India ("**Special Purpose Consolidated Financial Statements**"), which have been approved by the Board of Directors at their Board meetings held on February 17, 2025 respectively.

The Special Purpose Consolidated Financial Statements have been prepared after making suitable adjustments to the accounting heads from their Indian Generally Accepted Accounting Principles (IGAAP) 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 (April 01, 2022) and as per the presentation, accounting policies, and grouping/classifications including Revised Schedule III to the Act, disclosures followed for the year ended March 31, 2024 and March 31, 2023.

As at and for the year ended March 31, 2024 and March 31, 2023 included in these Special Purpose Consolidated Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Act audited by another auditor whose report for the year ended March 31, 2024 and March 31, 2023 who had issued an unmodified audit opinion vide report dated June 24, 2024 and September 30, 2023.

- c) Audited Special Purpose Consolidated Financial Statement of the Group for the for the year ended March 31, 2024 and March 31, 2023 together is referred as “Audited Special Purpose Consolidated Financial Statements”. Audited Consolidated Financial Statements and Special Purpose Consolidated Financial Statements referred to in paragraph (a) and (b) above includes financial statements in relation to the Company’s subsidiaries, (collectively termed as ‘Component’), as mentioned under para 4(d), which are audited by respective component statutory auditors;
- d) Financial statements of the components included in Special Purpose Audited Consolidated Financial Statements for the year ended March 31, 2024 and March 31, 2023 which are being audited by the previous auditor are under IGAAP and Financial Statements for the year ended March 31, 2025 which are being audited by the another auditor/independent chartered accountant is as under:

Name of entity	Relationship	Name of component auditors	Year audited by component statutory auditors
Lineage Power Private Limited	Subsidiary	Manish PC Jain & Co. Manish PC Jain & Co.	March 31, 2024, March 31, 2023
Pace Renewables Energies Private Limited	Subsidiary	Manish PC Jain & Co. Manish PC Jain & Co.	March 31, 2024, March 31, 2023.
AP Digital infra private limited	Subsidiary	MRKS and Associates Manish PC Jain & Co. Manish PC Jain & Co.	March 31, 2025, March 31, 2024, March 31, 2023
Inso Pace private limited	Subsidiary	MRKS and Associates Manish PC Jain & Co. Manish & Rohit Chartered Accountant	March 31, 2025, March 31, 2024, March 31, 2023
Lineage Power Myanmar Limited	Step-Down Subsidiary	Daw Me Me Soe, ASEAN CPA	March 31, 2025, March 31, 2024, March 31, 2023

Further, the Lineage Power Myanmar Limited (i.e. step down subsidiary) which is located outside India, included in audited Restated Consolidated Financial Information whose financial statements have been prepared in accordance with accounting principles generally accepted in its country. The Holding Company's management has converted the financial statements of this step down subsidiary from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management.

Financial statements of Lineage Power Singapore Pte Limited which is located outside India, included in audited Restated Consolidated Financial Information and Special Purpose Consolidated Financial Statements which are being unaudited management certified financial statement. The Holding Company's management has converted the unaudited financial statements of Lineage Power Singapore Pte Limited from accounting principles generally accepted in its country to accounting principles generally accepted in India. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group. We have audited the conversion adjustments made by the Holding Company's management. Details of unaudited subsidiary are as given below:

Name of entity	Relationship	Year
Lineage Power Singapore Pte Limited	Subsidiary	March 31, 2025, March 31, 2024 and March 31, 2023.

5. As informed to us by the management of the Holding Company, the predecessor auditor did not hold a valid peer review certificate as issued by the 'Peer Review Board' of the ICAI and have therefore, expressed their inability to perform any work on the Restated Consolidated Financial Information for the year ended March 31, 2024 and March 31, 2023 to be included in the prospectus. Accordingly, in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Holding Company Prospectuses (Revised 2019) issued by the ICAI, we have audited the special purpose consolidated financial statements of the Group for the year ended March 31, 2024 and March 31, 2023.
6. For the purpose of our examination, we have relied on:
 - a) Auditor's report issued by us dated August 11, 2025 on the Consolidated Financial Statements of the Group for the year ended March 31, 2025 as referred in paragraph 4(a).
 - b) Auditor's report issued by us dated February 17, 2025 on the Special Purpose Consolidated Financial Statements of the Group for the year ended March 31, 2024 and March 31, 2023 respectively prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act and other accounting principles generally accepted in India on which we have issued unmodified audit opinion. as referred in paragraph 4(b).
 - c) The Restated Special Purpose Audit of subsidiaries (the "Component") i.e. Inso Pace Private Limited and AP Digital Infra Private Limited for the year ended March 31, 2023 and March 31, 2024 were audited by Independent Chartered Accountants MRKS and Associates and accordingly reliance is placed on the Restated Statement of assets and liabilities, Restated Statement of profit and loss (including other comprehensive income), the restated statement of changes in equity, the Restated Statement of cash flows for the year ended March 31, 2023 and March 31, 2024 the statement of material accounting policies, information and other explanatory information ("March 2023 and March 31, 2024 Restated Financial Information of the Component") examined by the MRKS and Associates and whose reports have been furnished to us by the Company's Management. Our opinion in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the report of the said auditor. The MRKS and Associates vide their examination report have also confirmed that Restated Financial Information of the components the year ended March 31, 2023 and March 31, 2024:
 - i. have been prepared after incorporating adjustments for the changes in accounting policies material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2023, March 31, 2024 and March 31, 2025.
 - ii. does not contain any qualifications requiring adjustments; and
 - iii. have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.
7. The auditors' reports on the Consolidated Financial Statements and Standalone Financial Statements of the Holding Company and Components for the year ended March 31, 2023, March 31, 2024 and

Consolidated Financial Statements of the Group for the year ended March 31, 2025 referred to in paragraph 4 above contain the matters given below which did not require any adjustment in the Restated Consolidated Financial Information:

- a) The auditor's report on the financial statements of the Company included qualifications in the report on the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act ("CARO 2020") as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 (included in Annexure A to the Restated Consolidated Financial Statements), which did not require any corrections in the attached Restated Consolidated Financial Statements.

8. As indicated in our reports referred above:

- (a) We did not audit the financial statement of subsidiaries as specified in paragraph 4, whose total assets, total revenues, net cash outflows included in the Restated Consolidated Financial Information, for the relevant years is tabulated below, which have been audited by other auditors/Independent Chartered Accountants, and whose reports have been furnished to us, by the Company's management and our opinion on the Restated Consolidated Financial Information, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

(Rs. in million)			
Particular	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Total assets	25.89	73.95	76.83
Total income	39.74	57.71	58.03
Net cash flow	(3.84)	(51.80)	9.91

Our opinion on the Restated Consolidated Financial Information is not modified in respect of these matters.

- (b) The financial information include the unaudited financial information of Lineage Power Singapore Pte Limited (i.e. Subsidiary) as considered in the restated consolidated financial information have not been audited either by us or by other auditors.

(Rs. in million)			
Particular	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Total assets	3.26	3.24	3.24
Total income	0.04	0.03	2.07
Net cash flow	-	-	-

Our opinion on the Restated Consolidated Financial Information is not modified in respect of this matter.

- (c) The comparative financial information of the Group for the year ended March 31, 2024 and March 31, 2023 included in these Restated Consolidated Financial Information, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Act audited by another auditor whose report for the year ended March 31, 2024 and March 31, 2023 who had issued an unmodified audit opinion vide report dated June 24, 2024 and September

30, 2023 respectively as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

- (d) The comparative financial information of the Group on the transition date opening balance sheet as at April 01, 2022 included in these Restated Consolidated Financial Information, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Act audited by the predecessor auditor whose report for the year ended March 31, 2022 dated October 31, 2022 expressed an unmodified audit opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind-AS , which have been audited by us.

Our opinion is not modified in respect of this matter.

9. Based on our examination and according to the information and explanations given to us and audit reports submitted by the previous auditor and other auditors and Independent Chartered Accountants for the respective financial years as mentioned in paragraph 8 above, we report that the Restated Consolidated Financial Information:
- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors, and regrouping/reclassifications retrospectively in the financial years ended March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at the end for the year ended March 31, 2025.
 - b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and
 - c) have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note.
10. 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.
11. We have not audited any financial information of the Group as at any date or for any period subsequent to March 31, 2025. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as at any date or for any period subsequent to March 31, 2025.
12. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited Restated Consolidated Financial Information/special purpose consolidated interim financial statements mentioned in paragraph 4 above.
13. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

15. Our report is intended solely for use of the Board of Directors for inclusion in the prospectus to be filed with Securities and Exchange Board of India, and the Stock Exchanges in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm Registration No: 000756N/N500441

AMIT GOEL
Partner
Membership No: 500607

UDIN: **25500607BMLAWK5722**

Place: New Delhi

Dated: August 30, 2025

Annexure-A of The Independent Auditor's Examination Report on even date on Restated Consolidated Financial Information of Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

Statements/comments included in the Companies (Auditor's Report) Order, 2016 or Companies (Auditor's Report) Order, 2020, in the independent auditor report issued by the previous auditor which do not require any corrective adjustments in the Restated Consolidated Financial Information

Pace Digitek Limited (Holding Company)

- 1. Clause (i)(a)(A) of Report on maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.**

As at March 31,2023

The Company has not updated the Fixed Assets register. Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been maintained. The Property, Plant, and Equipment have been physically verified by the management at reasonable intervals. However, due to the absence of complete records, it is not possible to comment on any discrepancies, if any.

As at March 31,2024

The Company has not updated the Fixed Assets register. Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been maintained. The Property, Plant, and Equipment have been physically verified by the management at reasonable intervals. However, due to the absence of complete records, it is not possible to comment on any discrepancies, if any.

- 2. Clause (ii)(a) of Report on Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;**

As at March 31,2023

According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly stock statements as submitted to the banks or financial institutions are not in agreement with the books of accounts. Details of the inventory as submitted to the bank and as per the audited books of accounts is as under:

Quarter Ending	Value of stocks in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2023	205.20	205.20	-	
September-2023	196.00	196.00	-	-
December-2023	156.50	156.50	-	-
March-2023	454.22	189.10	265.12	Unbilled revenue added to WIP & revaluation of stock

Quarter Ending	Value of Debtors in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2023	2,082.70	2,082.70	-	
September-2023	1,878.70	1,878.70	-	
December-2023	1,512.30	1,512.30	-	-
March-2023	201.00	2,627.90	(2,426.90)	In March-23, projected sales added to accounts receivable but added back to WIP unbilled & 26AS TDS was account.

As at March 31,2024

According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly stock statements as submitted to the banks or financial institutions are not in agreement with the books of accounts. Details of the inventory as submitted to the bank and as per the audited books of accounts is as under:

Quarter Ending	Value of stocks in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	306.40	530.40	(224.00)	Unbilled revenue added to WIP & revaluation of stock
September-2024	2,151.50	2,613.40	(461.90)	Unbilled revenue added to WIP & revaluation of stock
December-2024	1,352.40	1,654.60	(302.20)	Unbilled revenue added to WIP & revaluation of stock
March-2024	1,141.20	1,995.50	(854.30)	Unbilled revenue added to WIP & revaluation of stock

Quarter Ending	Value of Debtors in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	2,606.10	2,606.10	-	
September-2024	1,474.80	1,474.80	-	
December-2024	2,337.50	2,337.50	-	-
March-2024	9,975.60	7,533.10	(2,442.50)	Unbilled revenue added

As at March 31,2025

The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of standalone financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company. Details of the same are given below:

Quarter Ending	Value of stocks in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	1446.09	1432.00	14.09	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September-2024	1421.60	1421.60		NA
December-2024	1354.26	1161.40	192.86	The difference is mainly due to reporting to banks are prior to quarterly closure of books-
March-2025	440.29	1155.30	(715.01)	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter Ending	Value of trade receivables in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	8948.79	9823.70	(874.91)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September-2024	13470.86	13791.20	(320.34)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December-2024	14191.35	14375.70	(184.35)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March-2025	17216.06	9469.10	7746.97	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter Ending	Value of trade payable in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	7998.51	6325.10	1673.41	The difference is mainly due to reporting to banks are prior to quarterly closure of books

September-2024	8886.72	7758.60	1128.12	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December-2024	5954.97	4885.80	1069.17	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March-2025	10370.03	10580.40	(210.37)	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter Ending	Value of revenue in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	3297.35	4047.80	(750.44)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September-2024	7412.62	7412.80	(0.18)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December-2024	4153.58	4134.60	18.99	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March-2025	7246.21	7125.00	121.21	The difference is mainly due to reporting to banks are prior to quarterly closure of books

3. Clause (vii)(a) of Report on regular in depositing undisputed statutory dues

As at March 31,2024

According to the information and explanations given to us, and based on our examination of the records of the Company, undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess, and other material statutory dues applicable to the Company, have been regularly deposited with the appropriate authorities during the year, except for advance tax payable under the Income Tax Act, 1961. There were no undisputed amounts payable in respect of the above and other material statutory dues that were in arrears as of 31 March 2024, for a period of more than six months from the date they became payable.

March 31,2025

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, except in case of employees provident fund and employees' state insurance payments amounting to Rs. 0.09 million.

4. Clause (xiv) of Report on internal audit system

As at March 31,2023

The Company is required to have an internal audit system under section 138 of the Act, it does not have the same established for the year.

As at March 31,2024

The Company is required to have an internal audit system under section 138 of the Act, it does not have the same established for the year.

5. Clause (xx) of Report on transferred unspent amount to a Fund

As at March 31,2023

The unspent amount of CSR is Rs. 1.65 million /- as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.

As at March 31,2024

The unspent amount of CSR is Rs. 4.04 million /- as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.

As at March 31,2025

The Company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 (the Act), till the date of the report. However, the period for such transfer i.e. six months of the expiry of the financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report. This matter has been disclosed in note no. 39(b) to the standalone financial statements. Further, CSR obligation for the financial year 2023-24 and 2022-23 in respect of other than ongoing projects also not deposited in any fund. Detail of year wise CSR obligation in respect of other than ongoing projects is as follows:

Financial year	Amount unspent on corporate social responsibility activities for other than ongoing projects	Amount transferred to Fund specified in Schedule VII within six months end of the financial year	Amount transferred after due date (September 30, 2025)
2024-25	Rs 14.39 million	-	-
2023-24	Rs. 2.39 million	-	-
2022-23	Rs. 1.65 million	-	-

Lineage Power Private Limited (Subsidiary of Holding Company)

1. Clause (i)(a)(A) of Report on maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment

As at March 31,2023

The Company has not updated the Fixed Assets register. Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been maintained. As explained to us, the property, plant, and equipment have been physically verified by the management at reasonable intervals. However, in the absence of complete records, it is not possible to comment on any discrepancies, if any.

As at March 31,2024

The Company has not updated the Fixed Assets register. Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been maintained. As explained to us, the property, plant, and equipment have been physically verified by the management at reasonable intervals. However, in the absence of complete records, it is not possible to comment on any discrepancies, if any.

2. Clause (ii)(a) of Report on Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;

As at March 31,2023

According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.50.00 million, in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly stock statements as submitted to the banks or financial institutions are not in agreement with the books of accounts. Details of the inventory as submitted to the bank and as per the audited books of accounts is as under:

Quarter Ending	Value of stocks in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2023	299.90	299.90	-	
September-2023	289.40	289.40	-	-
December-2023	375.90	376.00	(0.10)	Rounding Value
March-2023	393.00	366.40	26.60	Invoice booked after stock statement given to Bank

Quarter Ending	Value of Debtors in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2023	882.30	882.30	-	
September-2023	777.70	777.70	-	
December-2023	951.10	951.10	-	-
March-2023	2,114.10	2,110.10	4.00	Customer advances not removed in details submitted to Bank.

As at March 31,2024

Quarter Ending	Value of stocks in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	584.90	584.90	-	
September-2024	776.20	776.20	-	-
December-2024	1,385.90	1,385.90	-	-
March-2024	0.00	366.41	(366.41)	Invoice booked after stock statement given to Bank

Quarter Ending	Value of Debtors in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	1,109.70	1,109.70	-	
September-2024	1,267.40	1,267.40	-	
December-2024	1,758.40	1,758.40	-	-
March-2024	0.10	2,004.40	(2,004.30)	Customer advances not removed in details submitted to Bank & invoices booked after statement given to Bank

As at March 31,2025

Quarter Ending	Value of stocks in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	1645.61	965.20	680.41	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September-2024	706.03	706.00	0.03	The difference is mainly due to reporting to

				banks are prior to quarterly closure of books-
December-2024	805.34	805.30	0.04	The difference is mainly due to reporting to banks are prior to quarterly closure of books-
March-2025	678.09	692.60	(14.51)	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter Ending	Value of trade receivables in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	6095.30	7207.20	(1111.90)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September-2024	4428.02	4428.00	0.02	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December-2024	3942.60	3942.60	0.00	NA
March-2025	3308.86	3263.60	45.26	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter Ending	Value of trade payable in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	5475.98	5475.20	0.78	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September-2024	2560.32	2522.30	38.02	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December-2024	1949.55	1949.50	0.05	The difference is mainly due to reporting to banks are prior to quarterly closure of books

March-2025	1879.02	1879.10	(0.08)	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter Ending	Value of revenue in rupees in million			Remarks
	As per Books	As submitted	Difference	
June-2024	1932.72	1933.90	(1.18)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September-2024	2743.44	3561.40	(817.96)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December-2024	702.47	705.60	(3.13)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March-2025	983.89	947.00	36.89	The difference is mainly due to reporting to banks are prior to quarterly closure of books

3. Clause (vii)(a) of Report on regular in depositing undisputed statutory dues

As at March 31,2024

According to the information and explanations provided to us, and based on our examination of the Company's records, undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess, and other material statutory dues applicable to the Company, except for advance income tax, have been regularly deposited with the appropriate authorities during the year. As of 31 March 2024, there were no undisputed amounts payable in respect of the above dues or other material statutory dues that were in arrears for a period exceeding six months from the date they became payable.

4. Clause (xiv) of Report on internal audit system

As at March 31,2023

In our opinion, although the company is required to have an internal audit system under Section 138 of the Act, it has not established the same for the year.

As at March 31,2024

In our opinion, although the company is required to have an internal audit system under Section 138 of the Act, it has not established the same for the year.

5. Clause (xx) of Report on transferred unspent amount to a Fund

As at March 31,2023

The unspent amount of CSR is Rs. 1.43 million as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.

As at March 31,2024

The unspent amount of CSR is Rs. 3.12 million \as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.

As at March 31,2025

The Company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 (the Act), till the date of the report. However, the period for such transfer i.e. six months of the expiry of the financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report. This matter has been disclosed in note no. 32(b) to the standalone financial statements. Further, CSR obligation for the financial year 2023-24 and 2022-23 in respect of other than ongoing projects also not deposited in any fund. Detail of year wise CSR obligation in respect of other than ongoing projects is as follows.

Financial year	Amount unspent on corporate social responsibility activities for other than ongoing projects	Amount transferred to Fund specified in Schedule VII within six months end of the financial year	Amount transferred after due date (September 30, 2025)
2024-25	Rs 7.67 million	-	-
2023-24	Rs 1.69 million	-	-
2022-23	Rs 1.43 million	-	-

Pace Renewables Energies Private Limited (Subsidiary of Holding Company)

1. Clause (i)(a)(A) of Report on maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment

As at March 31,2023

The Company has not updated the Fixed Assets register. Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been maintained. As explained to us, the property, plant, and equipment have been physically verified by the management at reasonable intervals. However, in the absence of complete records, it is not possible to comment on any discrepancies, if any.

As at March 31,2024

The Company has not updated the Fixed Assets register. Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been maintained. As explained to us, the property, plant, and equipment have been physically verified by the management at reasonable intervals. However, in the absence of complete records, it is not possible to comment on any discrepancies, if any.

2. Clause (xx) of Report on transferred unspent amount to a Fund

As at March 31,2023

The unspent amount of CSR is Rs. 1.18 million as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.

As at March 31,2024

The unspent amount of CSR is Rs. 1.66 million as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.

As at March 31,2025

The Company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 (the Act), till the date of the report. However, the period for such transfer i.e. six months of the expiry of the financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report. This matter has been disclosed in note no. 28(b) to the standalone financial statements. Further, CSR obligation for the financial year 2023-24 and 2022-23 in respect of other than ongoing projects also not deposited in any fund. Detail of year wise CSR obligation in respect of other than ongoing projects is as follows:

Financial year	Amount unspent on corporate social responsibility activities for other than ongoing projects	Amount transferred to Fund specified in Schedule VII within six months end of the financial year	Amount transferred after due date (September 30, 2025)
2024-25	Rs 0.20 million	-	-
2023-24	Rs 0.48 million	-	-
2022-23	Rs 1.18 million	-	-

Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)
CIN: U31909KA2007PLC041949
Restated consolidated statement of assets and liabilities
(Amounts are ₹ in million unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A. Assets				
(1) Non-current assets				
(a) Property, plant and equipment	3	1,147.32	1,070.97	1,055.45
(b) Capital work-in-progress	4	320.86	98.05	88.58
(c) Investment property	5	17.86	18.78	19.82
(d) Right-of-use assets	6	8.32	4.81	-
(e) Goodwill	7	3.64	3.64	3.64
(f) Other intangible assets	8	287.51	290.40	306.14
(g) Intangible assets under development	4	-	-	7.41
(h) Financial assets				
(i) Investments	9	-	-	0.50
(ii) Other financial assets	11	954.09	547.91	83.00
(i) Deferred tax assets (net)	12	226.92	55.41	62.77
(j) Non current tax assets (net)	13	48.25	49.26	43.20
(k) Other non current assets	19	280.42	68.46	64.62
Total non-current assets		3,295.19	2,207.69	1,735.13
(2) Current assets				
(a) Inventories	14	1,126.29	2,716.89	598.30
(b) Financial assets				
(i) Trade receivables	15	18,431.18	10,764.41	3,943.05
(ii) Cash and cash equivalents	16	783.54	957.49	102.68
(iii) Bank balances other than (ii) above	17	1,380.49	3,986.89	1,140.32
(iv) Loans	10	-	5.02	0.93
(v) Other financial assets	18	74.25	171.70	130.44
(c) Other current assets	19	1,398.62	1,728.58	750.61
Total current assets		23,194.37	20,330.98	6,666.33
Total assets (1+2)		26,489.56	22,538.67	8,401.46
B. Equity and liabilities				
(1) Equity				
(a) Equity share capital	20	356.88	50.00	50.00
(b) Other equity	21	11,342.07	5,345.77	3,133.07
Equity attributable to owners of the holding Company		11,698.95	5,395.77	3,183.07
Non-controlling interest		391.07	276.20	168.47
Total equity		12,090.02	5,671.97	3,351.54
(2) Liabilities				
I. Non current liabilities				
(a) Financial liabilities				
(i) Borrowings	22	241.75	250.44	377.71
(ii) Lease liabilities	23	4.53	3.17	-
(iii) Other financial liabilities	24	1.80	9.59	9.73
(b) Provisions	25	649.83	309.57	67.99
Total non-current liabilities		897.91	572.77	455.43
II. Current liabilities				
(a) Financial liabilities				
(i) Borrowings	26	1,365.24	4,681.43	1,543.35
(ii) Lease liabilities	27	3.92	1.53	-
(iii) Trade payables				
(A) total outstanding dues of micro enterprise and small enterprises; and	28	138.98	0.36	16.51
(B) total outstanding dues of creditors other than micro enterprise and small enterprises		10,011.27	10,021.00	2,127.90
(iv) Other financial liabilities	29	606.31	845.82	693.14
(b) Other current liabilities	30	205.78	141.50	180.70
(c) Provisions	25	290.90	33.41	23.11
(d) Current tax liabilities (net)	31	879.23	568.88	9.78
Total current liabilities		13,501.63	16,293.93	4,594.49
Total liabilities (I+II)		14,399.54	16,866.70	5,049.92
Total equity and liabilities (1+2)		26,489.56	22,538.67	8,401.46

Basis of preparation and material accounting policies

2

See accompanying notes form an integral part of the restated consolidated financial information

As per our report of even date

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441

For and on behalf of the Board

Pace Digitek Limited

(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

AMIT GOEL

Partner

Membership No. 500607

Place: New Delhi

Date: August 30, 2025

Venugopalrao Maddisetty

Managing Director

DIN-02070491

Place: Bangalore

Date: August 30, 2025

Maddisetty Padma

Whole-Time-Director

DIN-02070662

Place: Bangalore

Date: August 30, 2025

Pandidurai Rajavendhan

Chief Financial Officer

Membership No. 221057

Place: Bangalore

Date: August 30, 2025

Meghana Purushotham Manchaiah

Company Secretary

Membership No. A42534

Place: Bangalore

Date: August 30, 2025

Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)
CIN: U31909KA2007PLC041949
Restated consolidated statement of profit and loss
(Amounts are ₹ in million unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Income:				
(a) Revenue from operations	32	24,387.80	24,344.89	5,031.96
(b) Other income	33	234.22	257.77	114.63
Total income (I)		24,622.02	24,602.66	5,146.59
Expenses:				
(a) Cost of materials consumed	34	7,180.57	15,589.50	962.48
(b) Engineering, procurement and construction project expenses	34.1	9,156.38	3,613.40	1,755.37
(c) Purchases of stock-in-trade	35	47.15	391.77	921.42
(d) Changes in inventories	36	850.97	(809.91)	(30.25)
(e) Employee benefits expense	37	667.13	531.85	750.26
(f) Finance costs	38	1,151.50	1,119.07	120.49
(g) Depreciation and amortisation expense	39	60.49	50.92	55.67
(h) Other expenses	40	1,668.54	1,048.60	389.84
Total expenses (II)		20,782.73	21,535.20	4,925.28
Profit before tax (I-II)=III		3,839.29	3,067.46	221.31
Tax expense:				
(a) Current tax expense	43	1,146.33	781.09	67.97
(b) Deferred tax (credit)/charge		(171.54)	0.07	(12.92)
(c) Taxes relating to earlier years		73.48	(12.41)	0.93
Total tax expense (IV)		1,048.27	768.75	55.98
Profit after tax (III-IV)= V		2,791.02	2,298.71	165.33
Other comprehensive income/(loss)				
A. Items that will not be reclassified to profit or loss				
(i) Remeasurement of defined benefit plans gain/(loss)		0.19	29.03	5.45
(ii) Income tax relating to these items		(0.05)	(7.31)	(1.56)
B. Items that will be reclassified to profit or loss				
(i) Exchange differences on translation of foreign operations		0.53	0.00	(1.26)
Total other comprehensive income for the year (net of tax) (A+B)		0.67	21.72	2.63
VI. Total comprehensive income for the year (V+VI)		2,791.69	2,320.43	167.96
VII. Profit for the year attributable to :				
Owners of the Company		2,676.08	2,194.35	142.92
Non-controlling interest		114.94	104.36	22.41
Profit after tax		2,791.02	2,298.71	165.33
VIII. Other comprehensive income attributable to :				
Owners of the Company		0.74	18.35	2.54
Non-controlling interest		(0.07)	3.37	0.09
Other comprehensive income for the year		0.67	21.72	2.63
IX. Total comprehensive income attributable to :				
Owners of the Company		2,676.81	2,212.70	145.46
Non-controlling interest		114.88	107.73	22.50
Total comprehensive income for the year		2,791.69	2,320.43	167.96
X. Earnings per equity share attributable to owners of the Company	41			
Basic (Rupee)		16.30	14.63	0.95
Diluted (Rupee)		16.30	14.63	0.95
Basis of preparation and material accounting policies	2			

See accompanying notes form an integral part of the restated consolidated financial information

As per our report of even date

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441

AMIT GOEL

Partner

Membership No. 500607

Place: New Delhi

Date: August 30, 2025

For and on behalf of the Board

Pace Digitek Limited

(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

Venugopalrao Maddisetty

Managing Director

DIN-02070491

Place: Bangalore

Date: August 30, 2025

Maddisetty Padma

Whole-Time-Director

DIN-02070662

Place: Bangalore

Date: August 30, 2025

Pandidurai Rajavendhan

Chief Financial Officer

Membership No. 221057

Place: Bangalore

Date: August 30, 2025

Meghana Purushotham Manchaiah

Company Secretary

Membership No. A42534

Place: Bangalore

Date: August 30, 2025

Pace Digitek Limited
CIN: U31909KA2007PLC041949
Restated consolidated statement of cash flows
(Amounts are ₹ in million unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flows from operating activities			
Profit before tax	3,839.29	3,067.46	221.31
Adjustment for:			
Depreciation and amortization expense	60.49	50.92	55.67
Finance costs	1,150.48	1,118.97	120.49
Profit/(loss) on sale of property, plant and equipment	(2.79)	-	3.09
Interest income on security deposits	(2.18)	-	-
Liability written back	(10.52)	(15.75)	(9.04)
Balances written off	187.38	74.94	-
Loss allowance for trade receivable	(24.11)	98.47	18.92
Interest income on delayed payment	(4.67)	-	-
Interest on lease liabilities	1.03	0.10	-
Disposal of intangible assets under development	11.56	7.41	-
Interest received on fixed deposits	(180.39)	(190.59)	(37.99)
Provision for liquidity damages	216.57	-	-
Provision for warranty	380.70	273.23	-
Rental income	(6.93)	(6.93)	(6.02)
Operating profit before working capital changes	5,615.89	4,478.24	366.43
Adjusted for:			
Movements in working capital:			
(Increase)/decrease in trade receivables	(7,830.03)	(6,919.94)	(611.31)
(Increase)/decrease in other financial assets	(296.04)	(116.42)	(39.07)
(Increase)/decrease in other current assets	117.99	(981.80)	(456.99)
(Increase)/decrease in inventory	1,590.60	(2,118.59)	(149.78)
Increase/(decrease) in provision	0.48	7.68	20.16
Increase/(decrease) in trade payables	133.57	7,894.37	(114.30)
Increase/(decrease) in other financial liabilities	(247.25)	152.68	613.95
Increase/(decrease) in other current liabilities	64.28	(39.34)	11.07
Cash generated/(used) from operations	(850.49)	2,356.88	(359.84)
Income taxes paid (net of refunds)	(908.37)	(215.65)	(77.97)
Net cash generated from/(used) in operating activities (A)	(1,758.86)	2,141.24	(437.81)
B. Cash flows from investing activities			
Purchase of property, plant and equipment	(365.60)	(58.84)	(63.80)
Proceeds from sale of property, plant and equipment	4.38	-	5.61
Loan granted during the year	-	(3.98)	(0.11)
Loan received back during the year	5.02	-	0.44
Investment made	-	0.50	-
Rent received	6.93	6.93	6.02
(Investment)/proceeds from fixed deposits (net)	2,606.98	(3,453.09)	(552.62)
Interest received on fixed deposits	180.39	330.71	56.85
Net cash generated from/ (used) in investing activities (B)	2,438.10	(3,177.77)	(547.61)
C. Cash flows from financing activities			
Proceeds of long term borrowings	218.10	-	7.80
Repayment of long term borrowings	(482.06)	(1,184.42)	(82.56)
(Repayment)/proceeds of short term borrowings (net)	(3,060.92)	3,562.28	665.81
Payment of lease liabilities	(4.18)	(0.50)	-
Proceeds from issue of equity shares	3,626.36	-	-
Finance cost paid	(1,150.48)	(486.01)	(118.94)
Net cash generated from/ (used) in financing activity (C)	(853.18)	1,891.35	472.12
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(173.94)	854.81	(513.30)
Cash and cash equivalents at the beginning of the year	957.49	102.68	615.98
Cash and cash equivalents at the end of year	783.54	957.49	102.68
Components of cash and cash equivalents considered only for the purpose of cash flow statement			
(a) Balances with banks			
In current accounts	782.19	957.06	102.02
(b) Cash on hand	1.35	0.43	0.66
Total cash and cash equivalents (refer note no. 16)	783.54	957.49	102.68

Notes:

- (a) The restated statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - "Statement of cash flows".
(b) Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given below to the restated financial information.

Changes in liabilities arising from financing activities

Movement of lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	4.70	-	-
Addition during the year	6.90	5.10	-
Deletion during the year	-	-	-
Finance cost accrued during the year	1.03	0.10	-
Payment of lease liabilities	(4.18)	(0.50)	-
Closing balance	8.45	4.70	-

Movement of borrowings

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening outstanding	4,931.87	1,921.06	1,330.00
Interest expense	1,150.48	1,118.96	118.94
Cash flows:			
Proceeds of long term borrowings	218.10	-	7.80
Repayment of long term borrowings	(482.06)	(1,184.42)	(82.56)
(Repayment)/proceeds of short term borrowings (net)	(3,060.92)	3,562.28	665.81
Interest on borrowings paid	(1,150.48)	(486.01)	(118.94)
Closing balance	1,606.99	4,931.87	1,921.06

Basis of preparation and material accounting policies

See accompanying notes form an integral part of the restated consolidated financial information

As per our report of even date attached

For S S Kothari Mehta & Co. LLP

Chartered Accountants
Firm's Registration No. 000756N/N500441

For and on behalf of the Board

Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

AMIT GOEL

Partner
Membership No. 500607
Place: New Delhi
Date: August 30,2025

Venugopalrao Maddisetty

Managing Director
DIN-02070491
Place: Bangalore
Date: August 30,2025

Maddisetty Padma

Whole-Time-Director
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Chief Financial Officer
Membership No. 221057
Place: Bangalore
Date: August 30,2025

Meghana Purushotham Manchaiah

Company Secretary
Membership No. A42534
Place: Bangalore
Date: August 30,2025

Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)
CIN: U31909KA2007PLC041949
Restated consolidated statement of changes in equity
(Amounts are ₹ in million unless otherwise stated)

(a) Equity share capital

Particulars	Note	No of shares	Amount
As at April 01 , 2022	20	50,00,000	50.00
Changes in equity share capital during the year		-	-
As at March 31, 2023		50,00,000	50.00
Changes in equity share capital during the year		-	-
As at March 31, 2024		50,00,000	50.00
Changes in equity share capital during the year		17,34,42,280	306.88
Closing balance as at March 31, 2025		17,84,42,280	356.88

(b) Other equity

Particulars	Attributable to owners				Total attributable to owners of the company	Attributable to non controlling interests	Total other equity
	Retained earnings	Capital reserve	General reserve	Securities premium			
As at April 01, 2022	2,725.23	119.07	37.71	105.60	2,987.61	145.97	3,133.58
Addition during the year:							
Add: Profit for the year	142.92	-	-	-	142.92	22.41	165.33
Add: Other comprehensive income/ (loss) (net of tax)	2.54	-	-	-	2.54	0.09	2.63
Closing balance as at March 31, 2023	2,870.69	119.07	37.71	105.60	3,133.07	168.47	3,301.54
Addition during the year:							
Add: Profit for the year	2,194.35	-	-	-	2,194.35	104.36	2,298.71
Add: Other comprehensive income/ (loss) (net of tax)	18.35	-	-	-	18.35	3.37	21.72
Closing balance as at March 31, 2024	5,083.39	119.07	37.71	105.60	5,345.77	276.20	5,621.97
Add: Profit for the year	2,676.08	-	-	-	2,676.08	114.94	2,791.02
Less: Pre-IPO expenses debited to securities premium	-	-	-	(355.56)	(355.56)	-	(355.56)
Less: Bonus shares allotted out of securities premium	-	-	-	(297.40)	(297.40)	-	(297.40)
Add: Premium on issue of equity shares	-	-	-	3,972.44	3,972.44	-	3,972.44
Add: Other comprehensive income/ (loss) (net of tax)	0.74	-	-	-	0.74	(0.07)	0.67
Closing balance as at March 31, 2025	7,760.21	119.07	37.71	3,425.08	11,342.07	391.07	11,733.14

Note:

1. The figures disclosed above are based on the restated consolidated statement of assets and liabilities of the Group.

Basis of preparation and material accounting policies

See accompanying notes form an integral part of the restated consolidated financial information

As per our report of even date

For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm's Registration No. 000756N/N500441

For and on behalf of the Board
Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

AMIT GOEL
Partner
Membership No. 500607
Place: New Delhi
Date: August 30, 2025

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Chief Financial Officer
Membership No. 221057
Place: Bangalore
Date: August 30, 2025

Meghana Purushotham Manchaiah
Company Secretary
Membership No. A42534
Place: Bangalore
Date: August 30, 2025

3 Property, plant and equipment ('PPE')

Particulars	Freehold land	Building	Plant & machinery	Computer	Office equipment	Motor vehicles	Furniture and fixtures	Total
Deemed cost								
Balance as at April 01, 2022	897.03	83.12	37.67	2.45	1.13	47.03	6.14	1,161.04
Additions	8.07	-	-	2.32	0.83	10.89	3.05	25.16
Deletions	-	-	-	-	-	(5.59)	(0.02)	(5.61)
Balance as at March 31, 2023	905.10	83.12	37.67	4.77	1.96	52.33	9.17	1,180.59
Additions	-	-	29.49	1.52	1.55	14.95	1.71	49.22
Deletions	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	905.10	83.12	67.15	6.28	3.51	67.28	10.88	1,229.81
Additions	-	-	2.68	11.25	1.78	101.08	0.92	117.71
Deletions	-	-	(14.18)	-	-	(3.89)	-	(18.07)
Balance as at March 31, 2025	905.10	83.12	55.65	17.53	5.29	164.46	11.80	1,329.45
Accumulated depreciation								
Balance as at April 01, 2022	-	-	-	-	-	-	-	-
Depreciation for the year	-	4.41	20.47	1.32	0.51	10.30	1.65	38.66
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	-	4.41	20.47	1.32	0.51	10.30	1.65	38.66
Depreciation for the year	-	4.16	12.84	1.90	0.85	11.84	2.12	33.70
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	-	8.57	33.31	3.22	1.36	22.14	3.77	72.36
Depreciation for the year	-	3.63	10.41	2.94	1.11	19.80	1.88	39.78
Disposals	-	-	(14.18)	-	-	(2.31)	-	(16.49)
Balance as at March 31, 2025	-	12.20	29.54	6.16	2.47	39.63	5.65	95.65
Net block (net)								
Balance as at March 31, 2023	905.10	78.71	17.20	3.45	1.45	42.03	7.52	1,055.45
Balance as at March 31, 2024	905.10	74.55	33.85	3.07	2.15	45.14	7.11	1,070.97
Balance as at March 31, 2025	905.10	70.92	26.12	11.37	2.82	124.84	6.15	1,147.32

Note:

a) The group has opted for deemed cost exemption for property, plant and equipment and therefore, the carrying amount under previous GAAP is deemed to be the cost at the date of transition. The carrying amounts as at April 01, 2022 would continue to remain at the amounts as they would have remained under the previous GAAP.

b) Refer note 22 for the assets forming part of property, plant and equipment which are offered as security/ charge for the borrowings availed by the Group.

c) The leasehold land includes above represents land at Bidadi and Jala Industrial Area IT Park, acquired by the Holding Company during financial year 2014-15 from Karnataka Industrial Areas Development Board, on a lease-cum-sale basis. The land is under lease for initial period of ten years thereafter the ownership of the land will be transferred in favour of the Holding Company. During financial year 2014-15, the Holding Company had acquired land at Bidadi and Jala Industrial Area IT Park from Karnataka Industrial Areas Development Board (KIADB) on a lease-cum-sale basis. The land is under lease for initial period of ten years thereafter the ownership of the land will be transferred in favour of the Holding Company. Total consideration has been paid by Holding Company at the time of inception of agreement to the KIADB for acquisition of land and thereafter, the Holding Company having obligations under lease is yearly recurring maintenance charges during the lease period.

Further, the Holding Company has obtained an extension from KIADB for the conversion of the said leasehold land to freehold. Necessary documentation and formalities for effecting this conversion are in progress.

d) The title deeds of all the immovable properties included in property, plant and equipment, are held in the name of the Group as at the balance sheet dates.

Pace Digitek Limited

(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

CIN: U31909KA2007PLC041949

Notes to the restated consolidated financial information

(Amounts are ₹ in million unless otherwise stated)

4 Capital Work In Progress (CWIP) and Intangible assets under development

Particulars	IT Park	KBJNL Fencing	Capital Work in Progress (Bidadi)	Total	Intangible assets under development
Deemed cost					
Balance as at April 01, 2022	28.90	24.13	-	53.03	7.41
Additions	35.55	-	-	35.55	-
Disposals	-	-	-	-	-
Balances as at March 31, 2023	64.45	24.13	-	88.58	7.41
Additions	9.47	0.00	0.00	9.47	-
Disposals	-	-	-	-	(7.41)
Balances as at March 31, 2024	73.92	24.13	0.00	98.05	-
Additions	78.36	-	168.58	246.94	-
Disposals	-	(24.13)	-	(24.13)	-
Balances as at March 31, 2025	152.28	0.00	168.58	320.86	-

Capital work in progress ageing schedule as at March 31,2025, March 31,2024 and March 31,2023.

As at March 31, 2025

Particulars	Amount in capital work-in-progress for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	246.95	9.46	35.55	28.90	320.86
(ii) Projects temporarily suspended	-	-	-	-	-
Total	246.95	9.46	35.55	28.90	320.86

As at March 31, 2024

Particulars	Amount in capital work-in-progress for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	33.59	35.55	2.02	26.88	98.05
(ii) Projects temporarily suspended	-	-	-	-	-
Total	33.59	35.55	2.02	26.88	98.05

As at March 31, 2023

Particulars	Amount in capital work-in-progress for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	59.67	2.02	12.33	14.56	88.58
(ii) Projects temporarily suspended	-	-	-	-	-
Total	59.67	2.02	12.33	14.56	88.58

Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan:

As at April 01,2023, Intangible assets under development project, the costs have exceeded the original plan approved by the Board of Directors and the same project has been disposed off under the statement of profit and loss in financial year 2023-24.

However, as on March 31,2025, there are no project which are overdue.

Intangible assets under development

As at March 31, 2023

Particulars	Intangible assets under development to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress					
Intangible assets under development	-	-	7.41	-	7.41
Project temporarily suspended					
Intangible assets under development	-	-	-	-	-
Total	-	-	7.41	-	7.41

5 Investment property

Particulars	Building
Deemed cost	
Balance as at April 01, 2022	20.88
Additions	-
Disposals	-
Balance as at March 31, 2023	20.88
Additions	-
Disposals	-
Balance as at March 31, 2024	20.88
Additions	-
Disposals	-
Balance as at March 31, 2025	20.88
Accumulated depreciation	
Balance as at April 01, 2022	-
Charge for the year	1.06
Disposals	-
Balance as at March 31, 2023	1.06
Charge for the year	1.04
Disposals	-
Balance as at March 31, 2024	2.10
Charge for the year	0.92
Disposals	-
Balance as at March 31, 2025	3.01
Net block	
Balance as at March 31, 2023	19.82
Balance as at March 31, 2024	18.78
Balance as at March 31, 2025	17.86

Notes:

(a) Disclosure pursuant to Ind AS 40 "Investment Property"

Amount recognised in the statement of profit and loss for investment property:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Rental income derived from investment property (refer note 33)	6.93	6.93	6.02
Depreciation on investment property	0.92	1.04	1.06

(b) Investment property represents building at Bidadi, Karnataka given on lease w.e.f. April 01, 2019.

(i) The Group had obtained independent valuation of Rs. 36.67 million from certified valuer for its investment property as at March 31, 2025, (Rs. 33.50 millions, Rs. 31.09 millions for March 31, 2024, March 31, 2023 respectively) and these valuations are based on valuation performed by an independent valuer registered in terms of the Act.

(ii) There is no contractual obligation to purchase, construct or develop investment property or for repairs, maintenance and enhancement thereof and there are no restriction on remittance of income and proceeds of disposal.

(iii) The investment property is Building purchased through sale-cum lease agreement. The formalities of registration of sale cum lease agreement are completed.

(iv) On transition to Ind AS, the group has elected to continue with the carrying value of all investment properties measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(v) The title deeds of investment properties are held in the name of the Group as at the balance sheet dates.

Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)
CIN: U31909KA2007PLC041949
Notes to the restated consolidated financial information
(Amounts are ₹ in million unless otherwise stated)

6 Right-of-use assets (ROU)

Particulars	Office Building
Deemed cost	
Balances as at April 01, 2022	-
Additions	-
Disposals	-
Balance as at March 31, 2023	-
Additions	5.25
Disposals	-
Balance as at March 31, 2024	5.25
Additions	7.29
Disposals	-
Balance as at March 31, 2025	12.54
Accumulated depreciation	
Balance as at April 01, 2022	-
Charge for the year	-
Disposals/discard	-
Balance as at March 31, 2023	-
Charge for the year	0.44
Disposals/discard	-
Balance as at March 31, 2024	0.44
Charge for the year	3.78
Disposals/discard	-
Balance as at March 31, 2025	4.22
Net block	
Balance as at March 31, 2023	-
Balance as at March 31, 2024	4.81
Balance as at March 31, 2025	8.32

Notes:

(i) Refer note 42 for disclosure on leased assets.

7 Goodwill

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Goodwill on account of business acquisition	3.64	3.64	3.64
Total	3.64	3.64	3.64

Goodwill impairment

Goodwill is tested for impairment annually. The recoverable amount of the cash-generating unit is determined based on its value in use. This value is calculated using future cash flows, which require assumptions such as sales growth, gross margin, and operating income margin.

The assumptions are based on the group's past experience, existing economic conditions and trends, estimated future growth rates, and anticipated future economic conditions. None of the key assumptions are sensitive to the recoverable amount of any of the CGUs.

An analysis of the sensitivity of the computation to changes in key assumptions (operating margin, discount rates, and long-term average growth rate) is conducted. Based on any reasonable changes, the company identifies any probable scenarios where the recoverable amount of the CGU could decrease below its carrying amount.

The estimated value-in-use of the CGU is based on future cash flows, using an estimated long-term average growth rate and a discount rate.

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8 Other intangible assets

Particulars	Software	Right of infrastructure development*	Total
Deemed cost			
Balance as at April 01, 2022	15.72	306.36	322.08
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2023	15.72	306.36	322.08
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2024	15.72	306.36	322.08
Additions	0.55	24.13	24.68
Disposals	(12.77)	-	(12.77)
Balance as at March 31, 2025	3.51	330.49	334.00
Accumulated amortisation			
Balance as at April 01, 2022	-	-	-
Charge for the year	1.68	14.27	15.95
Disposals	-	-	-
Balance as at March 31, 2023	1.68	14.27	15.95
Charge for the year	1.48	14.26	15.74
Disposals	-	-	-
Balance as at March 31, 2024	3.16	28.53	31.69
Charge for the year	0.60	15.41	16.01
Disposals	(1.21)	-	(1.21)
Balance as at March 31, 2025	2.55	43.94	46.49
Net block			
Balance as at March 31, 2023	14.05	292.09	306.14
Balance as at March 31, 2024	12.57	277.83	290.40
Balance as at March 31, 2025	0.96	286.55	287.51

Note:-

a) The group has opted for deemed cost exemption for other intangible assets and therefore, the carrying amount under previous GAAP is deemed to be the cost at the date of transition. The carrying amounts as at April 01, 2022 would continue to remain at the amounts as they would have remained under the previous GAAP.

b) * The group has developed a "Solar Power Plant" on behalf of Krishna Bhagya Jala Nigam Limited (KBJNL) for supplying of electricity exclusively for the benefit of KBJNL and maintenance of the project over the period of 25 years from the date of installation.

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9 Financial assets (non current): investment

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Unquoted			
Investments carried at fair value through profit or loss			
Investment in bond	-	-	0.50
	-	-	0.50
Aggregate amount of quoted investments and market value thereof	-	-	-
Aggregate amount of unquoted investments	-	-	0.50
Aggregate amount of impairment allowance in the value of investments	-	-	-

10 Loans

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good, unless otherwise stated			
Current			
Loan to employees*	-	5.02	0.93
Total	-	5.02	0.93

*Loans granted to employees are interest-free and classified as short-term receivables, recoverable within 12 months.

11 Other financial assets - non current

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Security deposit*	0.13	4.82	4.57
Bank deposit with maturity for more than 12 months from the reporting date #	953.96	543.09	78.43
Total	954.09	547.91	83.00

*Security deposits are carried at amortised cost. These primarily includes deposits given against rented premises and for projects.

It includes held as margin against guarantees, commitment and letter of credit with various government authorities and banks.

12 Deferred tax asset/liabilities (net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Deferred tax assets (net)	226.92	55.41	62.77
Total	226.92	55.41	62.77

13 Non-current tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Advance tax and tax deducted at source (net of provision for tax)	48.25	49.26	43.20
Total	48.25	49.26	43.20

14 Inventories (at lower of cost and net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Raw materials and components	1,100.68	1,840.33	531.65
Finished goods	25.61	876.56	66.65
Total	1,126.29	2,716.89	598.30

Note:

- 1) Inventory have been pledged as security against bank borrowings, details relating to which have been given in note 22.
- 2) Inventories provided/written off during the year ended March 31, 2025: Rs. 29.96 million (March 31, 2024: Rs. 14.08 million, March 31, 2023: Rs. 28.72 million). These amounts are recognised as an expense in the restated statement of profit and loss.
- 3) The raw material component is net off by the provision for slow-moving inventory.

15 Trade receivables

(a) Particulars	As at	As at	As at
	March 31, 2025	March 31, 2024	March 31, 2023
(Unsecured unless otherwise stated)			
Trade receivables considered good - unsecured	18,570.48	10,975.20	4,088.27
Trade receivable-credit impaired	202.17	154.80	121.89
Total Trade Receivables	18,772.65	11,130.00	4,210.16
Less: Expected credit loss allowance	341.47	365.59	267.11
Net trade receivables	18,431.18	10,764.41	3,943.05
Of the above, trade receivables from related parties are as below			
Trade receivables due from related parties (refer note 44)	14.79	17.40	-
Total	14.79	17.40	-

Note:

- Trade receivables are non-interest bearing and due after 0 to 90 days from the due date.
- Refer note No.46 for information about credit risk and market risk of trade receivables.
- No trade receivables are due from directors or other officers of the group either severally or jointly with any other person other than disclosure under note no 44. Nor any trade receivables due from firms or private companies respectively in which any director is a partner, a director or a member.
- Trade receivables includes retention money amounting to March 31, 2025 : Rs. 863.91 million (March 31, 2024 : Rs. 375.84 million and March 31 2023 : Rs. 520.03 million).

(b) Trade receivables ageing schedules

As at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables- considered good	7,220.97	4,487.00	3,546.63	2,077.66	1,149.02	67.32	21.88	18,570.48
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	31.48	19.70	150.99	202.17
Total	7,220.97	4,487.00	3,546.63	2,077.66	1,180.50	87.02	172.87	18,772.65
Less : credit impaired	-	-	-	-	-	-	-	(341.47)
Total	7,220.97	4,487.00	3,546.63	2,077.66	1,180.50	87.02	172.87	18,431.18

As at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables- considered good	3,291.54	5,463.88	1,252.84	583.45	184.29	112.79	86.41	10,975.20
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-	-	154.80	154.80
Total	3,291.54	5,463.88	1,252.84	583.45	184.29	112.79	241.21	11,130.00
Less : credit impaired	-	-	-	-	-	-	-	(365.59)
Total	3,291.54	5,463.88	1,252.84	583.45	184.29	112.79	241.21	10,764.41

As at March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables- considered good	806.70	2,478.14	380.49	144.16	140.60	68.60	69.58	4,088.27
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-	-	121.89	121.89
Total	806.70	2,478.14	380.49	144.16	140.60	68.60	191.47	4,210.16
Less : credit impaired	-	-	-	-	-	-	-	(267.11)
Total	806.70	2,478.14	380.49	144.16	140.60	68.60	191.47	3,943.05

Trade receivable includes retention money

16 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balances with banks			
On current accounts	782.19	957.06	102.02
Cash on hand	1.35	0.43	0.66
Total	783.54	957.49	102.68

17 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Bank deposits with remaining maturity for more than three months but less than twelve months*	1,380.49	3,986.89	1,140.32
Total	1,380.49	3,986.89	1,140.32

*The above deposit includes are held as security with bank against borrowings, guarantee given and issuance of letter of credit and other commitments.

18 Other financial assets-current

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good, unless otherwise stated			
Security deposits	74.23	46.81	47.10
Other receivables	0.02	5.13	3.50
Other receivables from related party (refer note no 44)	-	119.76	79.84
Total	74.25	171.70	130.44

19 Other assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Other non current asset			
Prepaid expenses	89.85	8.09	23.01
Balance with government authorities	190.57	60.37	41.61
Total	280.42	68.46	64.62
Other current asset			
Balance with government authorities	503.88	923.01	231.33
Advance to suppliers	798.91	532.76	296.65
Prepaid expenses	71.64	256.63	212.35
Advance to employees	24.19	16.18	10.28
Total	1,398.62	1,728.58	750.61

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20 Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Authorised share capital						
Equity shares of Rs 2 each (Rs.10 each as at March 31, 2024 and March 31, 2023)	46,00,00,000	920.00	50,00,000	50.00	50,00,000	50.00
	46,00,00,000	920.00	50,00,000	50.00	50,00,000	50.00
Issued, subscribed and fully paid up:						
Equity shares of Rs 2 each (Rs.10 each as at March 31, 2024 and March 31, 2023)	17,84,42,280	356.88	50,00,000	50.00	50,00,000	50.00
	17,84,42,280	356.88	50,00,000	50.00	50,00,000	50.00

Note:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
At the commencement of the year	50,00,000	50.00	50,00,000	50.00	50,00,000	50.00
Add: Equity shares issued during the year (Rs 10 each) *	8,29,026	8.29	-	-	-	-
Total before split (Rs 10 each)	58,29,026	58.29	50,00,000	50.00	50,00,000	50.00
Adjustment for split of shares from Rs 10 to Rs 2 (Refer note below)	2,91,45,130	-	-	-	-	-
Add: Equity shares issued during the year (Rs 2 each) #	5,95,250	1.19	-	-	-	-
Add: Bonus shares issued during the year (Rs 2 each)	14,87,01,900	297.40	-	-	-	-
At the end of the year	17,84,42,280	356.88	50,00,000	50.00	50,00,000	50.00

* The Holding Company has undertaken a private placement of 8,29,026 equity shares aggregating to Rs. 3481.91 million at an issue price of Rs. 4200 per equity share based on the independent valuation undertaken from the registered valuer.

The Holding Company has undertaken a private placement of 5,95,250 equity shares aggregating to Rs. 500.01 million at an issue price of Rs. 840 per equity share based on the independent valuation undertaken from the registered valuer

The above proceeds from the private placement were raised to meet the Holding Company's working capital requirements, long-term financial requirements for Capital expenditure and general corporate purposes.

(b) Rights, preferences and restrictions attached to equity shares

The Holding Company has one class of equity shares having par value of Rs.2 per share (March 31,2024: Rs.10 per share, March 31,2023: Rs.10 per share).Accordingly , all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets. Each shareholder is eligible to one vote per share held. The equity shareholders are entitled to receive dividend as declared from time to time.

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Holding Company, the holders of the equity shares will be entitled to receive remaining assets of the Holding Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Holding Company are set out below

Name of the shareholder	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Venugopalrao Maddisetty	5,00,33,310	28.04%	16,67,777	33.36%	16,67,777	33.36%
Maddisetty Padma	4,99,83,330	28.01%	16,66,111	33.32%	16,66,111	33.32%
Rajiv Maddisetty	2,49,91,680	14.01%	8,33,056	16.66%	8,33,056	16.66%
Lahari Maddisetty	2,49,91,680	14.01%	8,33,056	16.66%	8,33,056	16.66%
	15,00,00,000	84.07%	50,00,000	100.00%	50,00,000	100.00%

(d) Details of shares held by promoter and promoter group :

Particulars	As at March 31, 2025			As at March 31, 2024			As at March 31, 2023		
	Number of shares	% of holding	% of change	Number of shares	% of holding	% of change	Number of shares	% of total no. of shares	% of change during the year
Venugopalrao Maddisetty	5,00,33,310	28.04%	5.32%	16,67,777	33.36%	0.00%	16,67,777	33.36%	0.00%
Maddisetty Padma	4,99,83,330	28.01%	5.31%	16,66,111	33.32%	0.00%	16,66,111	33.32%	0.00%
Rajiv Maddisetty	2,49,91,680	14.01%	2.66%	8,33,056	16.66%	0.00%	8,33,056	16.66%	0.00%
Lahari Maddisetty	2,49,91,680	14.01%	2.66%	8,33,056	16.66%	0.00%	8,33,056	16.66%	0.00%
Mudduluru Dheeraj Varma	7,140	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%
	15,00,07,140	84.07%	15.95%	50,00,000	100.00%	0.00%	50,00,000	100.00%	0.00%

During the year, there has been a change in the promoter and promoter group shareholding pursuant to a private placement of equity shares.

(e) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :

The Holding Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash .The Holding Company has not bought back any class of shares during the period of five years immediately preceeding the balance sheet date except the detail as mentioned below:

Bonus issue of equity shares

During the current year, the Holding Company issued and allotted fully paid-up bonus shares at par in the ratio of 5:1 (i.e., five equity shares of Rs 2 each for every one fully paid-up equity share of Rs 2 each), pursuant to the shareholders' approval granted in the Extra-Ordinary General Meeting held on February 01, 2025 and Board meeting held on February 03, 2025 respectively. The allotment was made based on the record date of January 31, 2025.

Sub-division of equity shares

During the current year, the Holding Company approved the sub-division of each equity share having a face value of Rs10 into 5 equity shares of Rs 2 each, pursuant to the resolution passed by the shareholders at the extraordinary general meeting held on October 16, 2024. The share split became effective from the record date, November 06, 2024.

As per the records of the Holding Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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21 Other equity

Particulars		As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Retained earnings	i	7,764.01	5,087.72	2,875.02
Capital reserve	ii	119.07	119.07	119.07
General reserve	iii	37.71	37.71	37.71
Foreign currency translation reserve	iv	(3.80)	(4.33)	(4.33)
Securities premium	v	3,425.08	105.60	105.60
Total other equity		11,342.07	5,345.77	3,133.07
(i) Retained earnings*				
Opening balance		5,087.72	2,875.02	2,728.30
Add: Profit for the year		2,676.08	2,194.35	142.92
Add: Other comprehensive income		0.21	18.35	3.80
Closing balance		7,764.01	5,087.72	2,875.02
(ii) Capital reserve				
Opening balance		119.07	119.07	119.07
Add/(Less): Addition during the year		-	-	-
Closing balance		119.07	119.07	119.07
(iii) General reserve				
Opening balance		37.71	37.71	37.71
Add/(Less): Addition during the year		-	-	-
Closing balance		37.71	37.71	37.71
(iv) Foreign currency translation reserve				
Opening balance		(4.33)	(4.33)	(3.07)
Add/(Less): Addition during the year		0.53	0.00	(1.26)
Closing balance		(3.80)	(4.33)	(4.33)
(v) Securities premium				
Opening balance		105.60	105.60	105.60
Add: Securities premium on equity issued during the year		3,972.44	-	-
Less: Bonus issue		(297.40)	-	-
Less: Pre-IPO expenses debited to securities premium		(355.56)	-	-
Closing balance		3,425.08	105.60	105.60
Total (i+ii+iii+iv+v)		11,342.07	5,345.77	3,133.07

* Its includes revaluation reserve of Rs. 780.43 million arising from the revaluation of assets.

B. Nature and purpose of reserves:

Retained earnings

Retained earning are profit/loss that the Company has earned till date less transfer to other reserve, dividend or other distribution or transaction with shareholder.

During the first-time adoption of Ind AS, Ind AS 101 allows certain adjustments. According to Ind AS 101, any difference arising due to fair valuation of assets at the time of transition is adjusted against retained earnings.

Capital reserve

Capital reserve represents the accumulated excess of the fair value of net assets acquired under acquisition over the aggregate consideration transferred.

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Foreign currency translation reserve

The exchange differences arising on translation of foreign operations for consolidation are recognised foreign currency translation reserve in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in statement of profit and loss.

Securities premium

The securities premium is used to record the premium received on the issue of shares. This reserve can be utilized only for limited purposes, such as the issuance of bonus shares, in accordance with the provisions of the Companies Act, 2013.

22 Borrowings (Non current)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(A) Secured			
Term loan			
from banks	120.52	117.88	196.76
from financial institution	121.23	132.56	180.95
Total secured borrowings	241.75	250.44	377.71

Secured loans are covered as follows :

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Term loan from banks			
1) Guaranteed Emergency Credit Line (GECL) Loan: Canara Bank	40.95	68.25	95.55
Less: Current maturities disclosed as short-term borrowings in note 26	(27.30)	(27.29)	(27.29)
(A)	13.65	40.96	68.26

Terms & conditions

Rate of interest: Interest rate is a floating interest rate ranges from 7.5%-9.25% p.a.

(March 31, 2025: 7.5%-9.25%p.a., March 31, 2024: 7.5%-9.15% p.a., March 31, 2023: 7.5%-8.87%p.a.)

Repayment: 48 EMI's with moratorium of 12 months w.e.f December 13, 2022

Security details: Loan given under working capital limit, with securities of debtors & stock.

2) Guaranteed Emergency Credit Line (GECL) Loan: Canara Bank	40.95	54.60	54.60
Less: Current maturities disclosed as short-term borrowings in note 26	(13.65)	(13.67)	-
(B)	27.30	40.93	54.60

Terms & conditions

Rate of Interest: Interest rate is a floating interest rate ranges from 7.5%-9.25% p.a.

(March 31, 2025: 7.5%-9.25%p.a., March 31, 2024: 7.5%-9.15% p.a., March 31, 2023: 7.5%-8.87%p.a.)

Repayment: 48 EMI's after moratorium period of 24 Months i.e., December 06, 2023

Security details: Secured against debtors and stock

3) Vehicle loan: Axis Bank	-	2.66	13.21
Less: Current maturities disclosed as short-term borrowings in note 26	-	(2.66)	(10.55)
(C)	-	-	2.66

Terms & conditions

Rate of Interest: 7.25% P.a.

Repayment: Monthly installments over 3 Years

Security details: The above loan is for Mercedes Benz Car Loan

4) Guaranteed Emergency Credit Line (GECL) Loan: Canara Bank	11.52	34.55	57.58
Less: Current maturities disclosed as short-term borrowings in note 26	(11.52)	(23.03)	(23.03)
(D)	-	11.52	34.55

Terms & conditions

Rate of Interest: 7.50% p.a

Repayment: 36 EMI's after 12 months moratorium period w.e.f. December 31, 2022

Security details: Loan given under working capital limit, with securities of debtors & stock

5) Guaranteed Emergency Credit Line (GECL) Loan : Canara Bank	24.47	36.70	36.70
Less: Current maturities disclosed as short-term borrowings in note 26	(12.23)	(12.23)	-
(E)	12.23	24.47	36.70

Terms & conditions

Rate of Interest: 7.50% p.a

6) Vehicle loan: Canara bank

Less: Current maturities disclosed as short-term borrowings in note 26

	76.03	-	-
	(8.70)	-	-
(F)	67.33	-	-

Terms & conditions

Rate of interest: 8.50% p.a.

Repayment: Repayable in 84 EMI's

Security details: Loan given under hypothecation of 4 wheeler

Term loan from financial institutions

7) Oxyzo Financial Services Private Limited term loan	125.50	-	-
Less: Current maturities disclosed as short-term borrowings in note 26	(92.16)	-	-
(G)	33.33	-	-

Terms & conditions

Rate of interest: 14.00% p.a.

Repayment: Repayable in 18 EMI's w.e.f. January 04, 2025

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8) Indian Renewable Energy Development Agency Limited - IREDA

Less: Current maturities disclosed as short-term borrowings in note 26

(H)

115.13	151.89	184.57
(27.24)	(32.68)	(32.68)
87.90	119.21	151.89

Terms & conditions

Rate of interest: Interest rate is a floating interest rate ranges from 8.96%-10.20%p.a.

(March 31, 2025: 8.96%-10.20%p.a., March 31, 2024: 8.95%-10.20% p.a., March 31, 2023: 8.96%-10.20%p.a.)

Repayment: Repayable in quarterly installments over 10 Years

Security details: Against charge on movable assets of project and personal guarantee of promoters as a financial assistance by Indian Renewable Energy Development Agency

9) Guaranteed Emergency Credit Line (GECL) Loan - IREDA

Less: Current maturities disclosed as short-term borrowings in note 26

(I)

12.91	25.81	38.72
(12.91)	(12.91)	(12.91)
-	12.90	25.81

Terms & conditions

Rate of interest: Interest rate is a floating interest rate ranges from 8.96%-10.20%p.a.

(March 31, 2025: 8.96%-10.20%p.a., March 31, 2024: 8.95%-10.20% p.a., March 31, 2023: 8.96%-10.20%p.a.)

Repayment: Repayable in 48 EMI's w.e.f. 28.02.2022

Security details: Loan given under against charges on movable assets of project & personal guarantee of promoters

10) Toyota Financial Services India Ltd.

Less: Current maturities disclosed as short-term borrowings in note 26

(J)

0.44	3.21	5.80
(0.44)	(2.76)	(2.56)
-	0.45	3.24

Terms & conditions

Rate of Interest: 7.45% p.a

Repayment: Repayable in 36 EMIs

Security details: The above loan is for purchase of car

11) Vehicle Loan: Canara Bank

Less: Current maturities disclosed as short-term borrowings in note 26

(K)

-	0.50	2.08
-	(0.50)	(2.08)
-	-	-

Terms & conditions

Rate of Interest: 8.9% p.a.

Repayment: 60 EMI's commencing from February 09, 2019

Security details: Loan given under working capital limit, with securities of debtors & stock.

Total long term borrowings (A+B+C+D+E +F+G+H+I+J+K)

241.75	250.44	377.71

Total current maturities of long term borrowings

206.15	127.73	111.11

23 Non-current lease liabilities

Particulars

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Lease liabilities (refer note 42)	4.53	3.17	-
Total	4.53	3.17	-

24 Other financial liabilities - non current

Particulars

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Rent deposit	1.80	1.38	1.23
Security deposit	-	8.21	8.50
Total	1.80	9.59	9.73

25 Provisions

Particulars

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Non current			
Gratuity (refer note 45)	39.16	29.10	37.07
Compensated absences	23.50	27.39	30.92
Provision for warranty (refer note 25.1)	587.17	253.08	-
Total	649.83	309.57	67.99
Current			
Gratuity (refer note 45)	3.81	7.62	17.42
Compensated absences	3.76	5.64	5.69
Provision for warranty (refer note 25.1)	66.76	20.15	-
Provision for liquidated damages (refer note 25.2)	216.57	-	-
Total	290.90	33.41	23.11

25.1 Movement in provision for warranty (current and non current):

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	273.23	-	-
Recognised during the year	380.70	273.23	-
Utilised during the year	-	-	-
Reversed during the year	-	-	-
Balance at the end of the year	653.93	273.23	-
Non current portion	587.17	253.08	-
Current portion	66.76	20.15	-

The group has made provision for warranty expenses expected to be incurred during defect liability period which are in the nature of assurance warranty. The group expects to incur the related expenditure over the defect liability period.

25.2 Movement in provision for liquidated damages (current and non current):

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	-	-	-
Recognised during the year	216.57	-	-
Utilised during the year	-	-	-
Reversed during the year	-	-	-
Balance at the end of the year	216.57	-	-
Non current portion	-	-	-
Current portion	216.57	-	-

Liquidated damages represents the estimated cost the Group is likely to incur during defect liability period as per the contract obligations and in respect of completed construction contracts accounted under Ind AS 115 "Revenue from contracts with customers".

26 Current financial liabilities - borrowing

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(A) Secured (carried at amortised cost)			
From banks			
Working capital facilities from banks	749.72	876.75	957.04
Current maturities of long term borrowings	73.40	79.38	62.96
From financial institutions			
Trade finance loan	201.69	390.50	201.98
Current maturities of long term borrowings	132.74	48.35	48.15
Term loan	-	36.01	-
(B) Unsecured			
Working capital facilities from others	-	2,946.12	-
Loans from related parties (refer note no 44)	207.69	304.32	273.22
Total	1,365.24	4,681.43	1,543.35

Notes:

i) Secured loans:-

Details of cash credit and working capital demand loan:

(a) The Group has availed cash credit and working capital demand loan facilities from Canara Bank i.e sanction Limits of Rs.1,000.00 million, outstanding balance as at March 31,2025 : Rs.745.83 million (March 31, 2024 : Rs. 847.14 million and March 31, 2023 : Rs. 957.04 million). These facilities are secured by pari-passu charge against all Inventory and trade receivables, present and future, and are guaranteed by director. The loan are repayable on demand and carry interest rate in the range of 9.70% to 11.75% p.a.

(b) The Group has availed working capital facilities from ICICI Bank and has sanction limit of Rs. 40.00 Million, outstanding balance as at March 31,2025 : Rs. 3.89 million (March 31, 2024 : Rs. 29.61 million). These facilities are secured against fixed deposit as margin money for the purpose of working capital requirements. The interest rate in the range of 9.70% p.a to 11.75% p.a.

ii) Unsecured loans:-

(a) The Holding Company has obtained Rs. 2500.00 million in unsecured short-term loans from SVR Holdings and Investments Private Limited, Vamsiram Builders and Developers Private Limited, which carry interest rate 50.00% per annum. The loan was obtained to finance the working capital requirements of the BSNL Project. It bears an annual interest rate of 50.00% per annum and is secured by 20 demand promissory notes, each valued at Rs. 125.00 million and 15 post dated cheque, each valued at Rs. 250.00 million.

The Holding Company has repaid the principal and interest accrued thereon in full and obtained a no objection certificate vide settlement agreement dated January 02, 2025.

(b) The unsecured loans from related parties and directors are repayable on demand and carries interest rate at 12.00% p.a.

27 Lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Lease liabilities (refer note 42)	3.92	1.53	-
Total	3.92	1.53	-

28 Trade payables

(a) Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	138.98	0.36	16.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,011.27	10,021.00	2,127.90
Total	10,150.25	10,021.36	2,144.41

Of the above trade payables amounts due to related parties are as below:

Trade payables due to related parties (refer note 44)	1,789.00	642.74	4.93
(a) Trade payables are generally non-interest bearing and are settled within normal operating cycle of the Group.			

(b) Trade payables ageing schedule
As at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for following periods from due dates of payment as at March 31, 2025				Total
			Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	105.14	33.65	0.19	-	-	138.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,406.28	3,659.61	2,771.35	131.17	26.84	16.02	10,011.27
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	3,406.28	3,764.75	2,805.00	131.36	26.84	16.02	10,150.25

As at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from due dates of payment as at March 31, 2024				Total
			Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	0.36	-	-	-	-	0.36
Total outstanding dues of creditors other than micro enterprises and small enterprises	624.53	7,302.14	2,015.05	52.04	4.67	22.57	10,021.00
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	624.53	7,302.50	2,015.05	52.04	4.67	22.57	10,021.36

As at March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due dates of payment as at March 31, 2023				Total
			Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	16.51	-	-	-	-	16.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	476.22	1,394.41	195.46	5.56	40.09	16.16	2,127.90
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	476.22	1,410.92	195.46	5.56	40.09	16.16	2,144.41

Note:

(a) The Holding Company engaged in business transactions with the related party, Pace Power Tanzania Limited, in a previous years for the import of goods or services. As a result, the Group has outstanding foreign currency payables amounting to Rs. 1.79 million. However, these payables have remained unsettled for more than three years from the transaction date, as Pace Tanzania Limited does not have a bank account to which the Group can transfer the funds within the timeframe prescribed under the Foreign Exchange Management Act, 1999.

(b) Lineage Power Private Limited ("Subsidiary") engaged in business transactions with the related party, Pace Power Tanzania Limited, in a previous years for the import of goods or services. Consequently, the Company has outstanding foreign currency payables amounting to Rs. 3.28 million. However, these payables have remained unsettled for more than three years from the transaction date, as Pace Tanzania Limited does not have a bank account to which the Company can transfer the funds within the timeframe specified under the Foreign Exchange Management Act, 1999.

(c) Lineage Power Private Limited ("Subsidiary") has undertaken business transactions with foreign vendors during the year, resulting in foreign currency payables on account of import of goods and services. As at March 31, 2025, foreign currency payables amounting to Rs.73.21 million have an ageing of more than 180 days, and Rs.17.42 million have an ageing of more than one year. The Company is in the process of obtaining the necessary approvals from the relevant regulatory authorities in this regard.

In accordance with the Reserve Bank of India's (RBI) Master Direction on the Import of Goods and Services, prior approval from an AD Category-I Bank/RBI is required for an extension, except in cases where the foreign currency payable is settled within six months or within 12 months if the shipment date for imports was on or before July 31, 2020. The Company is subject to approval from the AD Category-I Bank/RBI to ensure compliance with the Foreign Exchange Management Act, 1999.

29 Other financial liabilities - current

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Carried at amortised cost			
Retention money	10.93	308.63	458.85
Expenses payable related to Pre-IPO	187.00	-	-
Security deposits	276.57	467.40	153.30
Provision for unspent CSR	31.07	8.82	4.26
Employee related payables	100.74	60.97	76.73
Total	606.31	845.82	693.14

Refer note 46 for information about liquidity risk and market risk of other financial liabilities.

30 Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	177.39	130.33	32.85
Contract liabilities	16.75	3.82	13.17
Advance from customer	11.64	7.35	134.68
Total	205.78	141.50	180.70

31 Current tax liabilities (net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Provision for tax (net of advance tax and TDS)	879.23	568.88	9.78
Total	879.23	568.88	9.78

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32 Revenue from operations

A. Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products and services			
Sale of products	294.64	866.03	1,241.28
Sale-engineering, procurement and construction project (EPC)	23,762.18	22,649.86	1,588.30
Sale of services	330.85	814.34	2,195.77
Total revenue from operations (A)	24,387.67	24,330.23	5,025.35
Other operating revenue			
Sale of scrap (B)	0.13	14.66	6.61
Total revenue from operations (A+B)	24,387.80	24,344.89	5,031.96

B. Disaggregation of revenue from contracts with customers :

The group undertakes telecom towers, transmission line towers survey, tower accessories, supply of materials, design, erection, testing and commissioning on a turnkey basis, development, operation and maintenance of EPC projects, generation of power from renewable energy sources i.e. solar, rooftop solar projects and related ancillary services and operating and maintaining solar power plants as an Independent Power Producer (IPP) and Captive Power Producer (CPP) and trading of goods and other related services. (Refer note 48).

C. The following table provides information about revenue recognised over point in time and satisfied over time

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Point in time	380.99	958.11	1,330.18
Satisfied over time	24,006.68	23,372.12	3,695.17
Revenue from contracts with customers	24,387.67	24,330.23	5,025.35

D. Contract assets

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	-	-	-
Less: Bills raised	-	-	-
Less: Reversed during the year	-	-	-
Addition during the year	-	-	-
Closing balance	-	-	-

E. Contract liabilities

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	3.82	13.17	17.86
Add: Amount billed but not recognized as revenue	12.93	-	-
Less: On account of revenue recognized during the year	-	(9.35)	(4.69)
Balance at the end of the year	16.75	3.82	13.17

F. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
-Receivables, which are included in 'trade receivables'	18,431.18	10,764.41	3,943.05
Contract assets (unbilled revenue)	-	-	-
Contract liabilities (unearned revenue)	16.75	3.82	13.17

G. Reconciliation of contract price

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per contracted price	24,604.24	24,330.23	5,025.35
Adjustments for:			
Less: Liquidated damages	216.57	-	-
Total Revenue from contract with customers	24,387.67	24,330.23	5,025.35

33 Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income from financial assets carried at amortised cost			
Fixed deposits	180.39	188.85	36.36
Other interest income	4.67	-	8.51
Interest income on security deposits	2.18	1.74	1.63
Other non-operating income			
Rental income (refer note no 5)	6.93	6.93	6.02
Liabilities no longer required written back	10.52	15.75	9.04
Profit on sale of property, plant and equipment	2.79	-	-
Interest income on corporate guarantee	-	39.92	39.92
Other gains/ (losses)			
Gain on foreign exchange fluctuation	0.04	-	1.40
Reversal of expected credit loss {refer note no 46(b)}	25.38	-	1.01
Miscellaneous income	1.32	4.58	10.74
Total	234.22	257.77	114.63

34 Cost of materials consumed

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock	1,840.33	531.65	412.12
Add: Purchases during the year	6,440.92	16,898.18	1,082.01
Less: Closing stock	(1,100.68)	(1,840.33)	(531.65)
Total	7,180.57	15,589.50	962.48

34.1 Engineering, procurement and construction project expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Engineering, procurement and construction project expenses	9,156.38	3,613.40	1,755.37
Total	9,156.38	3,613.40	1,755.37

35 Purchases of stock-in-trade

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchases	47.15	391.77	921.42
Total	47.15	391.77	921.42

36 Changes in inventories

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year	876.56	66.65	36.40
Inventories at the end of the year	25.61	876.56	66.65
Total changes in inventories	850.97	(809.91)	(30.25)

37 Employee benefits expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	606.20	486.26	672.65
Contributions to provident and other funds	28.14	22.78	54.42
Gratuity expenses	11.64	11.25	15.84
Staff welfare expenses	21.15	11.56	7.35
Total	667.13	531.85	750.26

38 Finance costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expenses on borrowing	1,021.30	755.88	114.04
Interest on lease liabilities (refer note 42)	1.03	0.10	-
Unwinding of discount on security deposit received	1.29	1.71	1.56
Other borrowing costs*	127.88	361.38	4.89
Total	1,151.50	1,119.07	120.49

* Primarily includes guarantee charges and other financial charges

39 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	39.78	33.70	38.66
Depreciation on investment property (refer note 5)	0.92	1.04	1.06
Depreciation on right to use assets (refer note 6)	3.78	0.44	-
Amortisation on other intangible assets (refer note 8)	16.01	15.74	15.95
Total	60.49	50.92	55.67

40 Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	28.62	21.16	7.62
Bank charges	22.54	39.25	7.56
Rent expenses (refer note 42)	252.30	122.33	94.93
Insurance expenses	47.42	23.66	7.93
Lab testing charges	4.22	2.75	6.32
Training & development charges	-	-	0.75
Rates & taxes	52.59	9.13	11.07
Repairs & maintenance			
Plant and equipment	3.55	0.82	1.59
Buildings	6.50	40.87	13.66
Others	17.85	25.52	5.38
Communication expenses	11.33	10.59	9.67
Bad debts written off	67.61	74.94	-
Loss allowance for trade receivable {refer note no 46(b)}	1.27	98.47	19.93
Travelling and conveyance expenses	165.60	81.09	82.06
Printing & stationery	4.61	3.28	1.37
Advertisement and sales promotion	3.82	4.39	5.79
Legal and professional expenses	213.11	53.54	48.77
Warranty charges	380.70	273.23	-
Security charges	6.91	7.64	8.41
Donation*	50.11	2.96	-
Auditor's remuneration and expenses	10.80	2.00	0.70
Corporate social responsibility expenses	23.90	4.56	4.26
Disposal of intangible assets under development	11.56	7.41	-
Loss on sale of assets	-	-	3.09
Freight outward	91.95	76.45	12.01
Consulting fees	0.48	0.43	0.03
Net foreign exchange rate fluctuation losses	25.39	38.76	-
Postage, courier & telephone expenses	6.82	5.21	8.52
Balance written off	119.76	-	-
Miscellaneous expenses	37.23	18.16	28.42
Total	1,668.54	1,048.60	389.84

*It includes, the Holding Company's contribution of Rs.50.00 million to political parties under Section 182 of the Companies Act, 2013.

(a) Auditor's remuneration comprises fees for audit of:

Statutory audit fee	3.00	2.00	0.70
Special purpose audit and certifications fees	7.80	-	-
	10.80	2.00	0.70

41 Earnings per Share ("EPS")

The Group presents the basic and diluted EPS data for its equity shares

(i) **Basic EPS** is computed by dividing the net profit for the year attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the year;

(ii) **Diluted EPS** is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The following table sets forth the computation of basic and diluted earnings per share:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Restated profit after tax attributable to owners for computing Basic and Diluted EPS (A)	2,676.08	2,194.35	142.92
Number of equity share at the beginning of the year	50,00,000	50,00,000	50,00,000
Add: Share issued during the year through private placement	8,29,026	-	-
Total no of shares before split (Rs 10 each)	58,29,026	50,00,000	50,00,000
Add: Stock split ratio 1:5	2,91,45,130	2,50,00,000	2,50,00,000
Add: Share issued during the year through private placement	5,95,250	-	-
Add: Bonus shares issued during the year	14,87,01,900	12,50,00,000	12,50,00,000
Number of equity share at the end of the year	17,84,42,280	15,00,00,000	15,00,00,000
Weighted average number of equity shares outstanding during the year for computing Basic EPS (B)	16,42,23,556	15,00,00,000	15,00,00,000
Dilutive effect on weighted average number of equity shares outstanding during the year	-	-	-
Weighted average number of equity shares in calculating diluted EPS(C)	16,42,23,556	15,00,00,000	15,00,00,000
Face value of equity shares (₹)	2.00	2.00	2.00
Basic earnings per share (A / B) (Rs.)	16.30	14.63	0.95
Diluted earnings per share (A / C) (Rs.)	16.30	14.63	0.95

Note:

The Board of Directors, at their meeting held on October 16, 2024, recommended for the sub-division of equity shares of the Holding Company from existing face value of Rs. 10/- each into face value of Rs. 2/- each (i.e. split of 1 equity share of Rs. 10/- each into 5 equity shares of Rs. 2/- each), and the same has been approved by the shareholders in the extraordinary general meeting of the Holding Company held on October 16, 2024. Accordingly, face value of the equity shares of the Holding Company now stand at Rs. 2/- each w.e.f. the record date November 06, 2024 and accordingly earnings per share has been restated for year ended March 31, 2024 and March 31, 2023 respectively in accordance with Ind AS 33 - Earnings per Share.

During the current year, the Holding Company issued and allotted fully paid-up bonus shares at par in the ratio of 5:1 (i.e., five equity shares of Rs 2 each for every one fully paid-up equity share of Rs 2 each), pursuant to the shareholders' approval granted in the Extra-Ordinary General Meeting held on February 01, 2025 and Board meeting held on February 03, 2025 respectively. The allotment was made based on the record date of January 31, 2025.

42 Leases as lessee

The Group has entered into agreements for leasing office building on lease and for entering into said lease.

a) Amounts recognised in profit or loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on lease liabilities	1.03	0.10	-
Depreciation charge on right of use assets	3.78	0.44	-
Expense relating to short term lease and lease of low value assets (refer note 40)	252.30	122.33	94.93
Total	257.11	122.87	94.93

b) The following is the movement in lease liabilities during the year

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	4.70	-	-
Addition during the year	6.90	5.10	-
Deletion during the year	-	-	-
Finance cost accrued during the year	1.03	0.10	-
Payment of lease liabilities	(4.18)	(0.50)	-
Balance at the end of the year	8.45	4.70	-

c) The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	3.92	1.53	-
Non-current lease liabilities	4.53	3.17	-
Total	8.45	4.70	-

d) The contractual maturity of lease liabilities on an undiscounted basis is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Not later than one year	4.72	2.01	-
Later than one year but not later than five years	4.83	3.52	-
Later than five years	-	-	-
Total	9.55	5.53	-

A. The group has also entered into leases of low-value assets and short-term leases (less than twelve months). In line with applicable accounting standards, these leases are not recognized as right-of-use assets or lease liabilities. Instead, lease payments are expensed on a straight-line basis under "Rent expenses" in the statement of profit and loss.

B. Group's as a Lessor

The Group has given certain portions of its office premises under leases. These leases are not non-cancellable and are extendable by mutual consent and at mutually agreeable terms. The gross carrying amount, accumulated depreciation and depreciation recognized in the statement of profit and loss in respect of such portion of the leased premises are not separately identifiable. There is no impairment loss in respect of such premises. No contingent rent has been recognised in the statement of profit and loss. Lease income is recognised in the statement of profit and loss under "Other income". Initial direct costs incurred, if any, to earn revenues from a lease are recognised as an expense in the statement of profit and loss in the period in which they are incurred.

43 Tax expenses

A. Income tax expense recognised in restated statement of profit and loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	1,146.33	781.09	67.97
Taxes relating to earlier years	73.48	(12.41)	0.93
Deferred tax charge/(credit): other than that disclosed under OCI	(171.54)	0.07	(12.92)
Tax expenses for the year	1,048.27	768.75	55.98

B. Reconciliation of income tax expense

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Reconciliation of effective tax rate			
Accounting profit/(loss) before income tax (A)	3,839.29	3,067.46	221.31
Enacted income tax rate (%)	25.17%	25.17%	29.12%
Tax amount on enacted income tax rate in India	966.35	772.08	64.45
Tax effect of :			
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income	9.51	2.13	2.16
Tax effect of amounts chargeable at special rate	(0.52)	(0.52)	(0.53)
Change in tax rate/ tax credit	-	6.85	-
Adjustments in respect of current income tax of previous year	73.48	(12.41)	0.93
others	(0.55)	0.62	(11.03)
Income tax expenses recognised in the restated statement of profit and loss (B)	1,048.27	768.75	55.98

C. Amount recognised in other comprehensive income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred tax			
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	0.19	29.03	5.45
Tax on remeasurement of defined benefit plan charge/(credit)	(0.05)	(7.31)	(1.56)
Tax expense for the year	(0.05)	(7.31)	(1.56)

(1) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	226.92	129.32	110.31
Deferred tax liabilities	-	(73.91)	(47.55)
Net deferred tax assets / (liabilities)	226.92	55.41	62.78

Movement of deferred tax (assets) and liabilities (net) for the year ended March 31, 2023

Particulars	Opening balance As at April 01, 2022	(Recognised) /reversed through the statement of profit and loss	Recognised through OCI as at March 31, 2023	Closing balance as at March 31, 2023
Deferred tax (liability) on:				
Property, plant and equipment and other intangible assets: Impact of difference between tax depreciation allowed under the Income Tax Act and depreciation/amortisation charged for financial reporting	(30.92)	(0.04)	-	(30.96)
Interest income and expense on corporate guarantee	(9.68)	(8.90)	-	(18.58)
Security deposit (Ind AS)	(0.03)	(0.02)	-	(0.05)
Deferred tax asset on:				
Remeasurement of inventory valuation	1.23	7.14	-	8.37
Interest expense on corporate guarantee	-	-	-	-
Expected credit loss on trade receivables	65.97	5.55	-	71.52
Provision for employee benefit	21.03	5.41	(1.56)	24.88
Others	3.81	3.78	-	7.60
Net deferred tax asset/(liability)	51.41	12.92	(1.56)	62.78

Movement of deferred tax (assets) and liabilities (net) for the year ended March 31,2024

Particulars	Opening balance As at April 01,2023	(Recognised) /reversed through the statement of profit and loss	Recognised through OCI as at March 31,2024	Closing balance
Deferred tax (liability) on:				
Property, plant and equipment and other intangible assets: Impact of difference between tax depreciation allowed under the Income Tax Act and depreciation/amortisation charged for financial reporting	(30.96)	1.31	-	(29.65)
Interest income and expense on corporate gurantee	(18.58)	(12.52)	-	(31.10)
Security deposit (Ind AS)	(0.05)	0.11	-	0.06
others	7.60	(20.97)	-	(13.37)
Deferred tax asset on:				
Reversal of revenue and related cost	71.52	45.26	-	116.78
Provision for employee benefit	24.88	(0.07)	(7.31)	17.51
Remeasurement of inventory valuation	8.37	(11.91)	-	(3.54)
Provision for warranty	-	(1.25)	-	(1.25)
Right of use assets and lease liability	-	(0.03)	-	(0.03)
Net deferred tax asset/(liability)	62.78	(0.07)	(7.31)	55.41

Movement of deferred tax (assets) and liabilities (net) for the year ended March 31,2025

Particulars	Opening balance As at April 01,2024	(Recognised) /reversed through the statement of profit and loss	Recognised through OCI as at March 31,2025	Closing balance
Deferred tax (liability) on:				
Property, plant and equipment and other intangible assets: Impact of difference between tax depreciation allowed under the Income Tax Act and depreciation/amortisation charged for financial reporting	(29.65)	62.53	-	32.88
Right of use assets and lease liability	(0.03)	0.00	-	(0.03)
Remeasurement of inventory valuation	(3.54)	3.54	-	(0.00)
Interest income and expense on corporate gurantee	(31.10)	31.06	-	(0.04)
Provision for warranty	(1.25)	32.59	-	31.34
Provision for liquidated damages	-	54.51	-	54.51
Others	(13.37)	13.37	-	0.00
Deferred tax asset on:				
Expected credit loss and reversal of revenue and related cost	116.78	(30.85)	-	85.94
Security deposit (Ind AS)	0.06	-	-	0.06
Provision for employee benefit	17.51	4.80	(0.05)	22.26
Net deferred tax asset/(liability)	55.41	171.54	(0.05)	226.92

Pace Digitek Limited
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44 Related party disclosures:

A. List of related parties as per the requirements of Ind-AS 24 - Related party disclosures

Names of related parties and nature of relationship

Related parties with whom transactions have taken place during the current year or previous year and the nature of related party relationship

Subsidiary	Lineage Power Private Limited Pace Renewables Energies Private Limited AP Digital Infra Private Limited Inso Pace Private Limited Lineage Power Holdings (Singapore) Pte Ltd
Step down subsidiary	Lineage Power (Myanmar) Limited
Key managerial person	Venugopalrao Maddisetty Maddisetty Padma Rajiv Maddisetty Pandidurai Rajavendhan (w.e.f October 16, 2024) Meghana Purushotham Manchaiah (w.e.f October 16, 2024)
Close member of key mangerial person	Rohitha Mudduluru
Entity in which a Director is a Partner/Member	Pace Power Systems (Partnership firm)
Enterprises controlled or significantly influenced by key management personnel or their relatives	Lanarsy Infra Limited Pace Power Tanzania Limited Qogno Digital Infrastructure Private Limited Pace Infra (Partnership firm)
Independent directors	Om Prakash Mishra Prabhakar Reddy Patil Satishchandra B Ogale
Entity in which a Director is a interested	Srinivasa Educational Society

B. The following table summarises related-party transactions and balances for the year ended March 31, 2025, March 31, 2024 and March 31, 2023.

Transactions with the related parties for the year ended

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products/Services			
Lanarsy Infra Limited	17.04	14.74	-
Total	17.04	14.74	-
Other income			
Rental income			
Qogno Digital Infrastructure Private Limited	-	-	0.25
Total	-	-	0.25
Engineering, procurement and construction project expenses			
Lanarsy Infra Limited	1,355.84	958.83	-
Qogno Digital Infrastructure Private Limited	-	-	32.06
Total	1,355.84	958.83	32.06
Other expenses			
Qogno Digital Infrastructure Private Limited	-	-	1.52
Total	-	-	1.52
Borrowings taken			
Venugopalrao Maddisetty	-	80.00	160.00
Maddisetty Padma	-	80.00	50.00
Pace Power Systems	47.00	140.00	100.00
Total	47.00	300.00	310.00
Repayment of borrowings			
Venugopalrao Maddisetty	19.53	69.31	60.00
Maddisetty Padma	14.78	59.36	9.09
Pace Power Systems	146.77	140.23	-
Total	181.08	268.90	69.09

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Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expenses			
Maddisetty Padma	9.79	11.08	-
Pace Power Systems	7.38	13.64	0.52
Venugopalrao Maddisetty	12.05	11.13	-
Total	29.22	35.85	0.52
Interest paid			
Maddisetty Padma	1.10	3.19	-
Pace Power Systems	7.38	13.64	0.52
Venugopalrao Maddisetty	1.21	1.11	-
Total	9.69	17.94	0.52
Corporate social responsibility expenses			
Srinivasa Educational Society	-	-	8.69
Total	-	-	8.69
Rent expenses			
Pace Power Systems	34.99	24.28	31.18
Total	34.99	24.28	31.18
Reimbursement of LC & BG charges			
Lanarsy Infra Limited	11.96	-	-
Total	11.96	-	-
Rent deposit received			
Pace Power Systems	19.70	-	-
Total	19.70	-	-
Other expenses			
Pace Power Africa Limited	9.08	-	-
Pace Power System	119.76	-	-
Total	128.84	-	-
Advance salary			
Rajiv Maddisetty	1.00	-	-
Total	1.00	-	-
Payments made on behalf of			
Pace Power Systems	12.63	-	-
Total	12.63	-	-
Equity shares issued during the year			
Mudduluru Dheeraj Varma	1.00	-	-
Total	1.00	-	-
Interest income on corporate guarantee			
Pace Power Systems	-	39.92	39.92
Total	-	39.92	39.92
Sitting fee paid to independent directors			
Om Prakash Mishra	0.20	-	-
Prabhakar Reddy Patil	0.10	-	-
Satishchandra B Ogale	0.20	-	-
Total	0.50	-	-
Remuneration paid to key managerial person			
Venugopalrao Maddisetty	31.47	17.97	17.97
Maddisetty Padma	20.33	16.92	16.15
Rajiv Maddisetty	10.92	9.47	9.05
Pandidurai Rajavendhan	6.20	-	-
Meghana Manchaiah Purushotham	0.96	-	-
Total	69.88	44.36	43.17

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C. The following balances are outstanding at the end of the reporting period in relation to transactions with related parties

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Trade receivables			
Lanarsy Infra Limited	14.79	17.40	-
Total	14.79	17.40	-
Trade payables			
Pace Power Systems	35.55	-	-
Lanarsy Infra Limited	1,746.43	637.80	-
Pace Infra	1.95	-	-
Pace Power Tanzania Limited	5.07	4.94	4.93
Total	1,789.00	642.74	4.93
Borrowings			
Venugopalrao Maddisetty	112.03	110.70	100.00
Maddisetty Padma	95.66	93.86	73.22
Pace Power Systems	-	99.77	100.00
Total	207.69	304.32	273.22
Other current assets			
Advance to supplier			
Qogno Digital Infrastructure Private Limited	121.81	121.81	99.86
Total	121.81	121.81	99.86
Advance salary			
Rajiv Maddisetty	1.00	4.83	1.04
Total	1.00	4.83	1.04
Other financial asset			
Amount receivable from related party			
Pace Power Systems	-	119.76	79.84
Total	-	119.76	79.84
Other financial liability			
Rent payable			
Pace Power Systems	-	19.10	1.94
Total	-	19.10	1.94
Other financial liability			
Retention money			
Lanarsy Infra Limited	-	305.18	455.88
Total	-	305.18	455.88
Security deposit related to rent			
Pace Power Systems	21.26	20.96	20.96
Total	21.26	20.96	20.96
Remuneration payable to key managerial person			
Venugopalrao Maddisetty	2.62	1.50	1.50
Pandidurai Rajavendhan	0.95	-	-
Meghana Manchiaiah Purushotham	0.24	-	-
Maddisetty Padma	1.69	1.41	1.35
Rajiv Maddisetty	0.91	0.79	0.75
Total	6.41	3.70	3.60

Note:

Related parties and their relationships are as identified by the management and relied upon by the auditors. All transactions are conducted in the ordinary course of business and at arm's length.

Managerial remuneration excludes provision for gratuity and compensated absences since these are provided on the basis of an actuarial valuation for the Group as a whole.

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Transactions eliminated during the year* :

(i) Pace Digitek Limited

Name of Related Party	Nature of transaction	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Pace Renewable Energies Private Limited	Sale of products/services	-	5.28	8.35
Pace Renewable Energies Private Limited	Balance written back	102.48	-	-
Lineage Power Private Limited	Interest received on corporate guarantee	12.00	13.06	12.07
Pace Renewable Energies Private Limited	Interest paid on corporate guarantee	6.06	44.95	41.01
Lineage Power Private Limited	Interest paid on corporate guarantee	11.25	-	-
Pace Renewable Energies Private Limited	Interest paid on Loan	56.68	52.88	-
Lineage Power Private Limited	Sale of products/services	27.53	243.65	119.45
Lineage Power Private Limited	Payments made on behalf of	759.18	-	-
Pace Renewable Energies Private Limited	Payments made on behalf of	16.15	-	-
Lineage Power Private Limited	Balance written off	28.80	-	-
Lineage Power Private Limited	Purchase	4,028.82	7,084.03	0.39
Lineage Power Private Limited	Purchases of stock-in-trade	571.62	-	-
Lineage Power Private Limited	Management consultancy services received	97.87	-	-

(ii) Lineage Power Private Limited

Name of Related Party	Nature of transaction	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Pace Renewable Energies Private Limited	Sale of products/services	-	9.97	-
Pace Digitek Limited	Balance written back	28.80	-	-
Pace Digitek Limited	Payments made on behalf of us	759.18	-	-
Pace Renewables Energies Private Limited	Balance written back	30.66	-	-
Pace Digitek Limited	Purchase	27.53	243.65	119.45
Pace Digitek Limited	Sale of products/services	4,600.44	7,084.03	0.39
Pace Renewable Energies Private Limited	Interest paid on corporate guarantee	1.76	12.00	11.43
Pace Digitek Limited	Interest paid on corporate guarantee	12.00	13.06	12.07
Pace Digitek Limited	Interest received on corporate guarantee	11.25	-	-
Lineage Power Holdings (Myanmar) Limited	Sale of products/services	4.16	4.41	3.38
Pace Digitek Limited	Management consultancy services paid	97.87	-	-

(iii) Pace Renewable Energies Private Limited

Name of Related Party	Nature of transaction	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Lineage Power Private Limited	Purchase	-	9.97	-
Lineage Power Private Limited	Balance written off	30.66	-	-
Pace Digitek Limited	Balance written off	102.48	-	-
Pace Digitek Limited	Payments made on behalf of us	16.15	-	-
Pace Digitek Limited	Interest income on loan	56.68	52.88	-
Pace Digitek Limited	Interest received on corporate guarantee	6.06	44.95	41.01
Lineage Power Private Limited	Interest received on corporate guarantee	1.76	12.00	11.43
Pace Digitek Limited	Purchase	-	5.28	8.35

(iv) Lineage Power Holdings (Myanmar) Limited

Name of Related Party	Nature of transaction	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Lineage Power Private Limited	Purchase	4.16	4.41	3.38

* As per Schedule VI (Para 11(I)(A)(i)(g)) of ICDR Regulations

Balances eliminated as at the end of the year* :

(i) Pace Digitek Limited

Name of Related Party	Nature of transaction	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Lineage Power Private Limited	Trade payables	2,098.56	2,961.69	-
Pace Renewable Energies Private Limited	Trade receivables	-	-	65.12
Pace Renewable Energies Private Limited	Interest accrued	-	29.59	-
Lineage Power Private Limited	Trade receivables	-	-	123.96
Pace Renewable Energies Private Limited	Current borrowing	551.24	440.64	440.64
Lineage Power Private Limited	Advance to supplier	-	-	200.05
Inso Pace Private Limited	Loans	-	3.06	2.90
Lineage Power Private Limited	Interest receivables against corporate guarantee	12.00	28.80	19.20
Pace Renewable Energies Private Limited	Interest payable against corporate guarantee	6.06	102.48	57.53
Lineage Power Private Limited	Interest payable against corporate guarantee	11.25	-	-
AP Digital Infra Private Limited	Loans	-	12.95	11.57
Inso Pace Private Limited	Advance to related party	0.17	-	-
AP Digital Infra Private Limited	Advance to related party	0.12	-	-

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(ii) Lineage Power Private Limited

Name of Related Party	Nature of transaction	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Pace Digitek Limited	Trade receivables	2,098.56	-	-
Pace Digitek Limited	Interest payable against corporate guarantee	12.00	28.80	19.20
Pace Renewable Energies Private Limited	Interest payable against corporate guarantee	1.76	30.66	18.66
Pace Digitek Limited	Interest receivable on corporate guarantee	11.25	-	-
Pace Digitek Limited	Trade receivables	-	2,961.69	-
Pace Digitek Limited	Advance from customer	-	-	200.05
Pace Renewable Energies Private Limited	Trade payables	11.75	11.75	-
Pace Digitek Limited	Trade payables	-	-	123.96
Lineage Power Myanmar Ltd.	Trade receivables	0.28	-	11.19

(iii) Pace Renewable Energies Private Limited

Name of Related Party	Nature of transaction	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Pace Digitek Limited	Trade payables	-	-	65.12
Pace Digitek Limited	Interest accrued	-	29.59	-
Pace Digitek Limited	Loans	551.24	440.64	440.64
Pace Digitek Limited	Interest receivable on corporate guarantee	6.06	102.48	57.53
Lineage Power Private Limited	Interest receivable on corporate guarantee	1.76	30.66	18.66
Lineage Power Private Limited	Trade receivables	11.75	11.75	-

(iv) AP Digital Infra Private Limited

Name of Related Party	Nature of transaction	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Pace Digitek Limited	Non-current borrowing	-	12.95	11.57
Pace Digitek Limited	Other financial liability	0.12	-	-
Inso Pace Private Limited	Non-current borrowing	0.68	0.68	0.68

(v) Inso Pace Private Limited

Name of Related Party	Nature of transaction	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Pace Digitek Limited	Non-current borrowing	-	3.06	2.90
Pace Digitek Limited	Other financial liability	0.17	-	-
AP Digital Infra Private Limited	Loans	0.68	0.68	0.68

(vi) Lineage Power Holdings (Myanmar) Limited

Name of Related Party	Nature of transaction	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Lineage Power Private Limited	Trade payables	0.28	-	11.19

* As per Schedule VI (Para 11(I)(A)(i)(g)) of ICDR Regulations

45 Employee benefits

Disclosures pursuant to Ind AS - 19 "Employee Benefits" (notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

Defined Contribution Plans:

The Group makes contribution in the form of provident funds as considered defined contribution plans and contribution to Employees Provident Fund Organisation. The Group has no further payment obligations once the contributions have been paid. Following are the schemes covered under defined contributions plans of the Group:

Provident Fund Plan & Employee Pension Scheme: The Group makes monthly contributions at prescribed rates towards Employee Provident Fund administered and managed by Ministry of Labour & Employment, Government of India.

Employee State Insurance: The Group makes prescribed monthly contributions towards Employees State Insurance Scheme and payment made to Employee State Insurance Corporation, Ministry of Labour & Employment, Government of India.

For Lineage Power Private Limited ("Subsidiary"), during the previous year, the defined benefit plan for gratuity is administered by gratuity trusts which are legally separate from the entities. The trustees of the gratuity trusts are required to act in the best interests of the members and/or their beneficiaries in accordance with the provisions of trust deeds.

The Group has charged the following costs in contribution to provident and other funds in the restated statement of profit and loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Group's contribution to provident fund	25.24	19.99	52.20
Group's contribution to employees state insurance	2.88	2.77	2.20
Group's contribution to labour welfare fund	0.03	0.02	0.02
Total	28.15	22.78	54.42

Defined Benefit Plan- Gratuity

The Group has the following defined benefit obligations:

Gratuity: In accordance with the applicable laws, the Group provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The gratuity plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation on the reporting date.

The following tables summaries the components of net benefits expense recognised in the restated consolidated statement of profit and loss (including other comprehensive income) and the amount recognised in the restated consolidated statement of assets and liabilities for the defined benefit plan.

i) Reconciliation of net defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Defined benefit obligation	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	36.55	55.73	45.81
Current service cost	9.44	7.13	12.49
Interest cost	2.21	4.15	3.44
Benefit pay-outs from plan	(1.18)	(1.38)	(0.07)
Benefit payments from employer	(4.02)		
Actuarial loss / (gain) arising from:			
- demographic assumptions	-	(0.40)	-
- financial assumptions	1.48	0.86	(0.08)
- experience adjustment	(1.67)	(29.53)	(5.86)
Balance at the end of the year	42.80	36.55	55.73

ii) Reconciliation of the net defined benefit liability / (asset)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at end of prior year	(0.17)	1.24	1.22
Employer contribution	-	-	0.48
Expected interest income of assets	0.00	0.05	0.12
Benefits pay-outs from plan	-	(1.41)	(0.09)
Actuarial gain/(loss)	0.00	(0.05)	(0.49)
Fair value of assets at the end of the year	(0.17)	(0.17)	1.24
Net defined benefit liability / (asset)	42.97	36.72	54.49

iii) Amounts recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	9.44	7.13	12.49
Interest expense on DBO	2.21	4.15	3.44
Interest (income on plan asset)	(0.00)	(0.03)	(0.09)
Expenses recognised in the statement of profit or loss	11.65	11.25	15.84

iv) Amounts recognised in the other comprehensive income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurement loss (gain):			
- Actuarial loss (gain) arising from:			
- demographic assumptions	-	(0.40)	-
- financial assumptions	1.48	0.86	(0.08)
- experience adjustment	(1.67)	(29.53)	(5.49)
'Return on plan asset (more)/less than expected based on discount rate	0.00	0.05	0.12
	(0.19)	(29.02)	(5.45)

v) Amounts recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost recognised in profit and loss	11.65	11.25	15.84
Remeasurement effect recognised in OCI (gain)/loss	(0.19)	29.02	5.45
Net Expense	11.84	(17.77)	10.39

vi) Bifurcation of present value of obligation at the end of the year

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Current liability	3.81	7.62	17.41
Non current liability	39.16	29.10	37.08
Total liability	42.97	36.72	54.49

vii) Sensitivity analysis*

The following were the principal actuarial assumptions at the reporting date

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Discount rate	6.89%	7.25%	7.55%
Salary escalation	7.00%	7.00%	7.00%
Attrition rate	10.00%	10.00%	8.00%
Mortality rate	NA	NA	NA

*Sensitivity analysis disclosure involves reporting how changes in key variables affect a holding company's financial performance. It enhances

viii) Maturity profile of defined benefit obligation

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Year (I)	1.69	11.20	10.79
Year (II)	1.60	4.30	3.45
Year (III)	2.46	3.89	3.52
Year (IV)	1.39	5.48	3.11
Year (V)	4.58	3.20	5.36
Next 5 year pay-outs (6-10 years)	5.22	26.88	24.82
Pay-outs Above ten years	18.08	52.08	158.99
Vested benefit obligations	25.07	30.70	31.82

Note:

The gratuity has been provided in respect of the entity which are incorporated in india and having applicability of the Gratuity Act,1972.

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This section gives an overview of the significance of financial instruments for the group and provides additional information on balance sheet items that contain financial instruments.

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the restated consolidated financial statements.

A. Accounting classification, fair values measurements and fair value hierarchy**Details of financial assets and financial liabilities :**

	Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
		Carrying values	Fair values	Carrying values	Fair values	Carrying values	Fair values
A.	Financial assets						
	Trade receivables	18,431.18	18,431.18	10,764.41	10,764.41	3,943.05	3,943.05
	Cash & cash equivalents	783.54	783.54	957.49	957.49	102.68	102.68
	Bank balances other than cash and cash equivalents	1,380.49	1,380.49	3,986.89	3,986.89	1,140.32	1,140.32
	Loans	-	-	5.02	5.02	0.93	0.93
	Other financial assets	1,028.34	1,028.34	719.61	719.61	213.44	213.44
	Investments	-	-	-	-	0.50	0.50
	Total	21,623.55	21,623.55	16,433.42	16,433.42	5,400.92	5,400.92
B.	Financial liabilities						
	Borrowings	1,606.99	1,606.99	4,931.87	4,931.87	1,921.06	1,921.06
	Lease liabilities	8.45	8.45	4.70	4.70	-	-
	Trade payables	10,150.25	10,150.25	10,021.36	10,021.36	2,144.41	2,144.41
	Other financial liabilities	608.11	608.11	855.41	855.41	702.87	702.87
	Total	12,373.80	12,373.80	15,813.34	15,813.34	4,768.34	4,768.34

The management has assessed that trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, investments, borrowings, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

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 following methods and assumptions were used to estimate the fair value.

- (i) The fair values of the group's interest-bearing borrowings are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2025 was assessed to be insignificant.
- (ii) Long-term receivables/payables are evaluated by the group's based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the restated consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

46 Financial instrument- financial risk management objectives and policies

The group's principal financial liabilities comprise loans and borrowings, lease liabilities, trade payables, security deposits received, etc. The main purpose of these financial liabilities is to manage finances for the group's operations. The group's principal financial assets include investment, trade receivables, unbilled revenue, cash and cash equivalents, security deposits paid, etc. that derive directly from its operations. The group holds amortised cost investments.

The group is exposed to market risk, credit risk and liquidity risk. The group's senior management oversees the management of these risks. This process of risk management is critical to the group's continuing profitability and each individual within the group is accountable for the risk exposures relating to his or her responsibilities.

The group's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. No significant changes were made in the risk management objectives and policies during the year ended March 31, 2025, March 31, 2024 and March 31, 2023. The management of the group reviews and agrees policies for managing each of these risks which are summarised below:

The group has exposure to the following risks arising from financial instruments:

- 1) Credit risk
- 2) Liquidity risk
- 3) Market risk

This note presents information about the group exposure to each of the above risks, the group objectives, policies and processes for measuring and managing risk, and the group management of capital.

1) Credit risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the group. The group is exposed to credit risk from its operating activities, primarily trade receivables. The credit risks in respect of deposits with the banks, foreign exchange transactions and other financial instruments are only nominal.

a) Trade receivables

Customer credit risk is managed in accordance with group's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and due after 0 to 90 days from the date of invoice. The group is entitled to demand interest, wherever applicable in case the customer does not pay within the due date. Outstanding customer receivables are regularly monitored. The ageing analysis of trade receivables as of the reporting date is as follows:

In the case of Engineering, Procurement and Construction (EPC) business, majority of the sales are made either against advance payments or at a credit period up to 0 to 90 days through tender whereas in most of the sales are made to Government customers, such as, Bharat Sanchar Nigam Limited (BSNL) and Tamil Nadu Fibernet Corporation Limited and Purvanchal Vidyut Vitaran Nigam Limited (PVVNL) and ITI Limited. group is engaged in Engineering, Procurement and Construction (EPC) business where it is customary to have prescribed retentions which are payable upon completion of the project and after satisfactory performance of the obligation.

In order to contain the business risk especially with respect to long-duration construction & supply contracts, creditworthiness of the customer is ensured through scrutiny of its financials, status of financial closure of the project, if required, market reports and reference checks. The group remains vigilant and regularly assesses the financial position of customers during execution of contracts with a view to restrict risks of delays and default. In view of its diversified business profile and considering the size of the group, credit risks from receivables are well contained on an overall basis.

The impairment analysis is performed on each reporting period on individual basis for major customers. In addition, a large number of receivables are grouped and assessed for impairment collectively. The calculation of impairment loss is based on historical data of losses, current conditions and forecasts and future economic conditions. The group's maximum exposure to credit risk at the reporting date is the carrying amount of each financial asset.

Overall, the credit risk from receivable is low in view of diverse businesses and government customers.

b) Provision for expected credit losses

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Basis as explained above, life time expected credit loss (“ECL”) is determined on trade receivables except in cases where advance payment terms are prescribed or payment is due from Government entities and amount due from related parties and disputed party against specific provision made. ECL arising from delays in receiving payments from the Government customers pursuant to sale of goods or under construction contracts are not considered if such delays are commonly prevalent in the industry and / or the delays are not exceeding one year. All other short receipts, other than arising from expense claims offset by the counter-party, are duly considered in determining ECL. In view of the business model of the group’s engineered-to-order products and the profile of trade receivables, the determination of provision based on age analysis may not be realistic and hence, the provision of expected credit loss is determined for the total trade receivables outstanding as on the reporting date. This provision for ECL is made in addition to the specific credit losses, if any, provided on specific financial assets.

Provision matrix (% , amounts) of ECL for trade receivables (other than specific credit losses separately recognised) is as under:

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Reconciliation of loss allowance

Trade receivables:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	365.59	267.11	248.19
Additional provisions recognised during the year	1.27	98.48	19.93
Provision reversed/utilised during the year	(25.38)	-	(1.01)
Balance at the end of the year	341.47	365.59	267.11

Expected credit loss under simplified approach for trade receivables:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Ageing of gross carrying amount			
Unbilled revenue	7,220.97	3,291.54	806.70
Not due	4,487.00	5,463.88	2,478.14
less than 180 days	3,546.63	1,252.84	380.49
181-365 days	2,077.66	583.45	144.16
More than 1 year	1,440.40	538.28	400.68
Gross carrying amount	18,772.65	11,130.00	4,210.16
Expected credit loss	341.47	365.59	267.11
Net carrying amount	18,431.18	10,764.41	3,943.05

(ii) Financial instruments and cash deposits :

The credit risk for cash deposits with banks and cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognized commercial banks and are not past due. The carrying amounts disclosed above are the group's maximum possible credit risk exposure in relation to these deposits.

Other financial assets being security deposits and others are also due from several counter parties and based on historical information about defaults from the counter parties, management considers the quality of such assets that are not past due to be good.

Impairment on cash and cash equivalents, deposits and other financial instruments has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures. The group considers that its cash and cash equivalents have low credit risk based on external credit ratings of counterparties.

Based on the assessment there is no impairment in the above financial assets other than already provided in the restated financial statement.

2) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. For the group, liquidity risk arises from obligations on account of financial liabilities - lease liabilities, trade payables and other financial liabilities.

The group continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The group's finance department is responsible for liquidity and fund management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the group's liquidity position through forecasts on the basis of expected cash flows

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Maturity profile of financial liabilities

The table below summarises the maturity profile of the group financial liabilities are as under:

Particulars	Carrying Amount	Less than 1 year	1-5 years	'More than 5 years	Total
As at March 31, 2025					
Borrowings	1,606.99	1,365.24	241.75	-	1,606.99
Lease liabilities	8.44	4.72	4.83	-	9.55
Trade payables	10,150.25	10,150.25	-	-	10,150.25
Other financial liabilities	608.11	606.31	1.80	-	608.11
As at March 31, 2024					
Borrowings	4,931.87	4,681.43	250.44	-	4,931.87
Lease liabilities	4.70	2.01	3.52	-	5.53
Trade payables	10,021.36	10,021.36	-	-	10,021.36
Other financial liabilities	855.41	845.82	9.59	-	855.41
As at March 31, 2023					
Borrowings	1,921.06	1,543.35	377.71	-	1,921.06
Lease liabilities	-	-	-	-	-
Trade payables	2,144.41	2,144.41	-	-	2,144.41
Other financial liabilities	702.87	693.14	9.73	-	702.87

3) Market risk

Market risk is the risk that changes in the market prices such as foreign currency risk, interest risk, equity price and commodity prices. The market risk will affect the group's income or value of its holding of financial instruments. The objective of the market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the returns.

(a) Commodity price risks

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Group. The Group is a regular negotiation / adjustment of sale prices on the basis of changes in commodity prices. The Group is not significantly impacted by commodity price risk.

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(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's main interest rate risk arises from long-term borrowings with floating interest rates. The Group optimises the interest rate risk by regularly monitoring the interest rate in the best interest of the Group. The Group has following fixed rate and floating interest rate long term borrowing:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Floating interest rate borrowings	982.04	737.39	112.78
Fixed rate borrowings	39.26	18.49	1.26
Total	1,021.30	755.88	114.04

(c) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Impact on profit before tax equity		
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Increase by 50 basis point	(4.91)	(3.69)	(0.56)
Decrease by 50 basis point	4.91	3.69	0.56

The assumed movement in basis points and interest rate sensitivity is based on currently observable market environment.

(5) 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 exchange rates. The group exposure to the risk of changes in exchange rates relates primarily to the group operations in foreign subsidiaries.

The group is exposed to foreign currency risks arising from various currency exposures, primarily with respect to the payables. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives) contract as of March 31, 2025:

Change in assumption	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a) Financial liabilities	55.19	55.57	51.08

The table below outlines the effect change in foreign currencies exposure for the year ended:

Change in assumption	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Impact on group's net income before tax for financial assets	Impact on group's net income before tax for financial liabilities	Impact on group's net income before tax for financial assets	Impact on group's net income before tax for financial liabilities	Impact on group's net income before tax for financial assets	Impact on group's net income before tax for financial liabilities
Appreciation in foreign currencies by 10%	0.04	0.23	0.03	0.30	0.03	0.24
Depreciation in foreign currencies by 10%	(0.04)	(0.23)	(0.03)	(0.30)	(0.03)	(0.24)

(Note: The impact is indicated on the income/loss before tax basis).

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For the purposes of Group's capital management, Capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity holders of the Parent Company. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Parent Company may adjust the dividend payment to shareholders or issue new shares. The Group monitors capital using capital gearing ratio which is net debt divided by total capital plus net debt.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Borrowings (including lease liabilities)	1,615.43	4,936.57	1,921.06
Less: Cash and cash equivalents including bank balances	(783.54)	(957.49)	(102.68)
Net debt	831.89	3,979.08	1,818.38
Equity attributable to owners of the holding Company	11,698.95	5,395.77	3,183.07
Total Capital	11,698.95	5,395.77	3,183.07
Capital and net debt	12,530.84	9,374.85	5,001.45
Gearing ratio (Net debt/capital and Net debt)	6.64%	42.44%	36.36%

Note:

In order to achieve the overall objective, the Group's capital management, amongst the other things, aim is to ensure that it meets the financial covenant attached to interest bearing loan and borrowing that define the capital structure requirement. There have been no breaches in the financial covenant of any interest bearing loan and borrowing in the current and previous years.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025, March 31, 2024 and March 31, 2023.

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48 Segment Information

i) Basis of Identifying operating segments:

Operating segments are identified as those components of the Group

(a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Group's other components;

(b) whose operating results are regularly reviewed by the Board of Directors to make decisions about resource allocation and performance assessment and

(c) for which discrete financial information is available.

The Group has three reporting segment:

(a) Telecom

(b) Energy

(c) Others consist of various services and projects

ii) Information about reporting segment:

Segment information is provided to and reviewed by Chief Operating Decision Maker (CODM). The revenues, total expenses and profit as per the statement of profit and loss represents the revenue, total expenses and the profits of the reportable segment as follows:

For the year ended March 31, 2023

Particulars	Energy	Telecom	Other	Unallocated	Total Segment	For the year ended March 31, 2023
Revenue						
External customer	179.27	4,122.25	730.44	-	5,031.96	5,031.96
Inter segments	-	-	-	-	-	-
Total revenue	179.27	4,122.25	730.44	-	5,031.96	5,031.96
Expenses						
(a) Cost of materials consumed	112.40	2,976.62	520.00	-	3,609.02	3,609.02
(b) Employee benefits expense	26.73	614.62	108.91	-	750.26	750.26
(c) Other expenses	8.42	225.50	34.30	121.62	389.84	389.84
Total expenses	147.55	3,816.74	663.21	121.62	4,749.12	4,749.12
Segment results	31.72	305.51	67.24	(121.62)	282.85	282.85
(d) Others income	-	-	-	114.63	114.63	114.63
(e) Finance costs	-	-	-	(120.49)	(120.49)	(120.49)
(f) Depreciation and amortisation expense	-	-	-	(55.67)	(55.67)	(55.67)
(g) Unallocable expenses	-	-	-	-	-	-
Profit before tax	31.72	305.51	67.24	(183.16)	221.31	221.31
Tax expense						
(1) Current tax				67.97	67.97	67.97
(2) Deferred tax				(12.92)	(12.92)	(12.92)
(3) Income tax of earlier years				0.93	0.93	0.93
Total tax expense (D)				55.98	55.98	55.98
Profit after tax (E)=(C-D)				(239.13)	165.33	165.33

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For the year ended March 31, 2024

Particulars	Energy	Telecom	Other	Unallocated	Total Segment	For the year ended March 31, 2024
Revenue						
External customer	891.80	23,225.21	227.88	-	24,344.89	24,344.89
Inter segments	-	-	-	-	-	-
Total revenue	891.80	23,225.21	227.88	-	24,344.89	24,344.89
Expenses						
(a) Cost of materials consumed	791.44	17,808.30	185.03	-	18,784.77	18,784.77
(b) Employee benefits expense	19.48	507.39	4.98	-	531.85	531.85
(c) Other expenses	12.38	845.43	3.16	187.63	1,048.60	1,048.60
Total expenses	823.30	19,161.11	193.17	187.63	20,365.22	20,365.22
Segment results	68.50	4,064.10	34.71	(187.63)	3,979.68	3,979.68
(d) Others income	-	-	-	257.77	257.77	257.77
(e) Finance costs	-	-	-	(1,119.07)	(1,119.07)	(1,119.07)
(f) Depreciation and amortisation expense	-	-	-	(50.91)	(50.91)	(50.91)
(g) Unallocable expenses	-	-	-	-	-	-
Profit before tax	68.50	4,064.10	34.71	(1,099.84)	3,067.47	3,067.47
Tax expense						
(1) Current tax				781.09	781.09	781.09
(2) Deferred tax				0.07	0.07	0.07
(3) Income tax of earlier years				(12.41)	(12.41)	(12.41)
Total tax expense (D)				768.75	768.75	768.75
Profit after tax (E)=(C-D)				(1,868.59)	2,298.71	2,298.71

For the year ended March 31, 2025

Particulars	Energy	Telecom	Other	Unallocated	Total Segment	For the year ended March 31, 2025
Revenue						
External customer	1,363.47	22,978.56	44.99	0.78	24,387.80	24,387.80
Inter segments	-	-	-	-	-	-
Total revenue	1,363.47	22,978.56	44.99	0.78	24,387.80	24,387.80
Expenses						
(a) Cost of materials consumed	1,236.70	15,970.79	27.57	-	17,235.06	17,235.06
(b) Employee benefits expense	7.90	648.52	9.60	1.10	667.13	667.13
(c) Other expenses	48.38	1,332.16	2.03	285.97	1,668.54	1,668.54
Total expenses	1,292.98	17,951.47	39.21	287.06	19,570.73	19,570.74
Segment results	70.49	5,027.09	5.78	(286.29)	4,817.07	4,817.06
(d) Others income	-	-	-	234.22	234.22	234.22
(e) Finance costs	-	-	-	(1,151.50)	(1,151.50)	(1,151.50)
(f) Depreciation and amortisation expense	-	-	-	(60.49)	(60.49)	(60.48)
(g) Unallocable expenses	-	-	-	-	-	-
Profit before tax	70.49	5,027.09	5.78	1,159.93	3,839.30	3,839.29
Tax expense						
(1) Current tax				1,146.33	1,146.33	1,146.33
(2) Deferred tax				(171.54)	(171.54)	(171.54)
(3) Income tax of earlier years				73.48	73.48	73.48
Total tax expense (D)				1,048.27	1,048.27	1,048.27
Profit after tax (E)=(C-D)				111.66	2,791.04	2,791.02

Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)
Notes to the restated consolidated financial information
(Amounts are ₹ in million unless otherwise stated)

(b) Other segment informations

Particulars	Energy	Telecom	Other	Unallocated	Total
As at March 31, 2023					
Segment assets	324.53	1,421.07	-	6,655.87	8,401.46
Segment liabilities	223.30	-	-	4,826.62	5,049.92
As at March 31, 2024					
Segment assets	338.77	12,149.93	-	10,049.97	22,538.67
Segment liabilities	177.71	1.53	-	16,687.45	16,866.70
As at March 31, 2025					
Segment assets	1,670.62	18,135.73	122.35	6,560.87	26,489.56
Segment liabilities	128.05	1,166.45	-	13,105.05	14,399.54

(c) All assets and revenue of the Group are within India.

(d) Further, from one external customers the Group has revenue of Rs. 20627.35 million (March 31, 2024: One external customer with revenue of Rs. 20,416.55 million ,March 31, 2023: Three external customer with revenue of Rs. 2854.74 million) more than 10% of the total revenue from operations.

49 First time adoption of Ind AS ('FTA')

These Restated consolidated financial statements, for the year ended March 31, 2025, are the first consolidated financial statements, the group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2024, the group prepared its consolidated 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 ("Indian GAAP" or "Previous GAAP").

Accordingly, the group has prepared Restated consolidated financial statements which comply with Ind AS applicable for the year ended on March 31, 2024, together with the comparative period data as at and for the year ended March 31, 2023, as described in the summary of material accounting policies.

In preparing these consolidated financial statements, the group's has considered Ind As transition date April 01,2022. This note explains the principal adjustments made by the group in restating its Indian GAAP Restated consolidated financial statements, including the Restated consolidated financial statements as at and for the year ended April 01, 2022, March 31, 2023, March 31, 2024.

I. Reconciliation between previous GAAP and Ind AS

1 Transition of balance sheet as at March 31, 2024

Particulars	Notes	As per IGAAP March 31, 2024	Reclassification	Remeasurement	Prior period adjustment	As per Ind AS March 31, 2024
Assets						
Non-current assets						
Property, plant and equipment	B5	1,314.20	(243.23)	-	-	1,070.97
Capital work-in-progress		98.05	-	-	-	98.05
Investment property	B5	-	18.78	-	-	18.78
Right-of-use assets	B2	-	-	4.81	-	4.81
Goodwill	B5	-	3.64	-	-	3.64
Other intangible assets	B5,B6	16.20	220.89	53.31	-	290.40
Financial assets						
(i) Investments		-	-	-	-	-
(ii) Other financial assets	B1,B5	-	547.91	-	-	547.91
Deferred tax assets (net)	B5,B3	0.53	-	54.88	-	55.41
Non current tax assets (net)	B5	-	49.26	-	-	49.26
Other non current assets	B5,B6	408.84	(342.12)	1.73	-	68.46
Total non current assets		1,837.81	255.14	114.73	-	2,207.69
Current assets						
Inventories	B10	2,022.35	-	-	694.54	2,716.89
Financial assets						
(i) Trade receivables	B5,B7,B10	11,533.29	376.06	(369.50)	(775.44)	10,764.41
(ii) Cash and cash equivalents	B5	5,328.61	(4,371.13)	-	-	957.49
(iii) Bank balances other than (ii) above	B5	-	3,986.89	-	-	3,986.89
(iv) Short term loans & advances	B5	1,948.00	(1,948.00)	-	-	-
(iii) Loans	B5	0.00	5.02	0.00	-	5.02
(iv) Other financial assets	B1,B5	-	48.00	123.70	-	171.70
Other current assets	B4,B5,B6	27.42	1,700.73	0.44	-	1,728.60
Total current assets		20,859.67	(202.43)	(245.36)	(80.90)	20,330.98
Total assets		22,697.48	52.71	(130.63)	(80.90)	22,538.67
Equity & liabilities						
Equity						
Equity share capital		50.00	-	-	-	50.00
Other equity	49	5,505.02	(0.00)	(78.35)	(80.90)	5,345.77
Equity attributable to equity shareholders of the Holding Company		5,555.02	(0.00)	(78.35)	(80.90)	5,395.77
Non-controlling interest		341.69	-	(65.49)	-	276.20
Total equity		5,896.71	(0.00)	(143.84)	(80.90)	5,671.97
Non current liabilities						
Financial liabilities						
(i) Borrowings	B5	554.76	(304.32)	-	-	250.44
(ii) Lease liabilities	B2	-	-	3.17	-	3.17
(iii) Other financial liabilities	B1,B5	-	9.59	-	-	9.59
Provision	B5	325.16	(13.26)	(2.34)	-	309.57
Other non current liabilities		786.25	(786.25)	-	-	-
Total non-current liabilities		1,666.17	(1,094.24)	0.83	-	572.77
Current liabilities						
Financial liabilities						
(i) Borrowings	B5	3,913.79	767.64	-	-	4,681.43
(ii) Lease liabilities	B2	-	-	1.53	-	1.53
(iii) Trade payables	B5	9,343.89	(9,343.89)	-	-	0.00
-Total outstanding dues of micro and small enterprises	B5	-	0.36	-	-	0.36
-Total outstanding dues of creditors other than micro and small enterprises	B5,B10	-	10,021.00	-	-	10,021.00
(iv) Other financial liabilities	B1,B5	-	845.82	0.00	-	845.82
Other current liabilities	B5	775.90	(634.41)	-	-	141.50
Provisions	B5	1,101.02	(1,078.45)	10.87	-	33.41
Current tax liabilities (net)	B5	-	568.88	-	-	568.88
Total current liabilities		15,134.60	1,146.95	12.40	-	16,293.93
Total equity & liabilities		22,697.48	52.71	(130.63)	(80.90)	22,538.67

1.1 Transition of statement of profit and loss for the year ended on March 31, 2024

Particulars	Notes	As per IGAAP March 31, 2024	Reclassification	Remeasurement	Prior period adjustment	As per Ind AS March 31, 2024
Income:						
Revenue from operations	B5,B10	25,114.33	6.00	-	(775.44)	24,344.89
Other income	B5	212.94	2.80	42.03	-	257.77
Total income (I)		25,327.27	8.80	42.03	(775.44)	24,602.66
Expenses:						
Cost of material consumed & services	B5	19,300.74	(19,300.74)	-	-	-
(a) Cost of materials consumed	B5	(0.00)	15,632.30	-	(42.80)	15,589.50
(b) Engineering, procurement and construction project expenses	B5	-	3,613.40	-	-	3,613.40
(c) Purchases of stock-in-trade	B5	(0.00)	391.77	-	-	391.77
(d) Changes in inventories	B5,B9,B10	287.92	(417.36)	-	(680.46)	(809.91)
(e) Employee benefits expense	B8	486.25	0.00	45.60	-	531.85
(f) Finance costs	B5	1,155.64	(39.24)	2.68	-	1,119.07
(g) Depreciation and amortisation expense	A6	65.26	0.00	(14.34)	-	50.92
(h) Other expenses	B5,B7	827.11	128.65	93.44	(0.58)	1,048.60
Total expenses (II)		22,122.91	8.80	127.37	(723.86)	21,535.20
Profit before tax (I-II)=III		3,204.36	0.00	(85.34)	(51.58)	3,067.46
Tax expense:						
Current tax		781.09	-	-	-	781.09
Deferred tax (credit)/charge	B3	6.76	-	(6.69)	-	0.07
Taxes relating to earlier years		(12.41)	-	-	-	(12.41)
Total tax expense (IV)		775.45	-	(6.69)	-	768.75
Profit after tax (III-IV)= V		2,428.90	0.00	(78.65)	(51.58)	2,298.71
Other comprehensive income/(loss)						
Items that will not be reclassified to profit or loss						
(i) Remeasurement of defined benefit plan gain/(loss)	B8	-	-	29.03	-	29.03
(ii) Income tax relating to these items	B8	-	-	(7.31)	-	(7.31)
Items that will be reclassified to profit or loss						
(i) Exchange differences on translation of foreign operations		-	-	-	-	-
(ii) Income tax relating to these items		-	-	-	-	-
Total other comprehensive income/(loss) for the year (net of tax) (A+B)		-	-	21.72	-	21.72
Total comprehensive income for the year (V+VI)		2,428.90	0.00	(56.91)	(51.58)	2,320.43

1.2 Transition of Balance sheet as at March 31, 2023

Particulars	Notes	As per IGAAP March 31, 2023	Reclassification	Remeasurement	Prior period adjustment	As per Ind AS March 31, 2023
Assets						
Non-current assets						
Property, plant & equipments	B5	1,328.68	(273.22)	-	-	1,055.45
Capital work in progress	B5	96.00	(7.41)	-	-	88.58
Investment property	B5	-	19.82	-	-	19.82
Right-of-use assets		-	-	-	-	-
Goodwill	B5	-	3.64	-	-	3.64
Other intangible assets	B5,B6	17.68	249.80	38.66	-	306.14
Intangible assets under development	B5	-	7.41	-	-	7.41
Financial assets						
(i) Investments		0.50	-	-	-	0.50
(ii) Other financial asset	B1,B5		83.00	-	-	83.00
Deferred tax assets (net)	B5,B3	-	7.30	55.47	-	62.77
Non-current tax assets (net)	B5		43.20	-	-	43.20
Other non current assets	B5,B6	549.99	(487.84)	2.47	-	64.62
Total non current assets		1,992.85	(354.31)	96.60	-	1,735.13
Current assets						
Inventories	B9	627.03	-	-	(28.72)	598.30
Financial assets						
(i) Trade receivables	B5,B7	3,681.96	525.30	(264.21)	-	3,943.05
(ii) Cash and cash equivalents	B5	1,301.08	(1,198.39)	-	-	102.68
(iii) Bank balances other than (ii) above	B5	-	1,140.32	-	-	1,140.32
(iv) Short term loans & advances	B5	877.50	(877.50)	-	-	-
(v) Loans	B5	-	0.93	-	-	0.93
(vi) Others financial assets	B1,B5	-	50.02	80.42	-	130.44
Other current assets	B5,B6,B4	28.09	718.48	4.84	(0.79)	750.61
Total current assets		6,515.66	359.16	(178.95)	(29.51)	6,666.33
Total assets		8,508.51	4.85	(82.35)	(29.51)	8,401.46
Equity & liabilities	-					
Equity	-					
Equity share capital	-	50.00	-	-	-	50.00
Other equity		3,227.71	-	(65.13)	(29.51)	3,133.07
Equity attributable to equity shareholders of the Holding Company		3,277.71	-	(65.13)	(29.51)	3,183.07
Non-controlling interest		190.26	-	(21.79)	-	168.47
Total equity	49	3,467.97	-	(86.92)	(29.51)	3,351.54
Non current liabilities						
Financial liabilities						
(i) Borrowings	B5	377.71	-	-	-	377.71
(ii) Lease liabilities	B5	-	-	-	-	-
(iii) Other financial liabilities	B1,B5	-	9.73	-	-	9.73
Deferred tax liabilities (net)	B5,B3	(7.28)	7.28	0.00	-	0.00
Long term liabilities	B5	624.44	(624.44)	-	-	-
Provisions	B5	94.15	(23.11)	(3.04)	-	67.99
Total non-current liabilities		1,089.02	(630.54)	(3.04)	-	455.43
Current liabilities						
Financial liabilities						
(i) Borrowings	B5	1,543.35	-	-	-	1,543.35
(ii) Lease liabilities						
(iii) Trade payables	B5	1,731.87	(1,731.87)	-	-	0.00
-Total outstanding dues of micro and small enterprises	B5	-	16.51	-	-	16.51
-Total outstanding dues of creditors other than micro and small enterprises	B5	-	2,127.90	-	-	2,127.90
(iv) Other financial liabilities	B1,B5	-	693.14	0.00	-	693.14
Other current liabilities	B5	648.57	(475.45)	7.60	-	180.70
Provisions	B5	27.73	(4.62)	-	-	23.11
Current tax liabilities (net)	B5	-	9.78	-	-	9.78
Total current liabilities		3,951.52	635.39	7.60	-	4,594.49
Total equity & liabilities		8,508.51	4.85	(82.35)	(29.51)	8,401.46

1.3 Transition of Statement of Profit and Loss for the year ended on March 31, 2023

Particulars	Notes	As per IGAAP March 31, 2023	Reclassification	Remeasurement	Prior period adjustment	As per Ind AS March 31, 2023
Income:						
Revenue from operations	B5	5,162.58	(130.62)	-	-	5,031.96
Other income	B5	70.74	1.33	42.57	-	114.63
Total income (I+II)		5,233.32	(129.29)	42.57	-	5,146.59
Expenses						
(a) Cost of materials consumed	B5	2,774.19	(1,836.22)	-	24.51	962.48
(b) Engineering, procurement and construction project expenses	B5	0.00	1,755.36	-	-	1,755.37
(c) Purchases of stock-in-trade	B5	(0.00)	921.42	-	-	921.42
(d) Changes in inventories	B5	869.66	(899.91)	-	-	(30.25)
(e) Employee benefits expense	B8	748.45	(0.75)	2.56	-	750.26
(f) Finance costs	B5	126.19	(7.56)	1.86	-	120.49
(g) Depreciation and amortisation expense	B5	74.34	0.00	(18.67)	-	55.67
(h) Other expenses	B5,B7	431.23	(61.62)	21.33	(1.09)	389.84
Total expenses (II)		5,024.06	(129.29)	7.08	23.42	4,925.28
Profit before tax (I-II)=III		209.26	-	35.48	(23.42)	221.31
Tax expense:						
(a) Current tax		67.97	-	-	-	67.97
(b) Deferred tax (credit)/charge	B3	(10.50)	-	(2.42)	-	(12.92)
(c) Taxes relating to earlier years		0.93	-	-	-	0.93
Total tax expense (IV)		58.40	-	(2.42)	-	55.98
Profit after tax (III-IV)= V		150.86	-	37.90	(23.42)	165.33
Other comprehensive income/(loss)						
Items that will not be reclassified to profit or loss						
(i) Remeasurement of defined benefit plan gain/(loss)	B8		-	5.45		5.45
(ii) Income tax relating to these items	B8		-	(1.56)		(1.56)
Items that will be reclassified to profit or loss			-	(1.26)		(1.26)
(i) Exchange differences on translation of foreign operations			-			-
(ii) Income tax relating to these items			-	-		-
Total other comprehensive income/(loss) for the year (net of tax) (A+B)		-	-	2.63	-	2.63
Total comprehensive income for the year (V+VI)		150.86	-	40.53	(23.42)	167.96

1.4 Transition of Balance sheet as at April 01, 2022

Particulars	Notes	As per IGAAP March 31, 2022	Reclassification	Remeasurement	Prior period adjustment	As per Ind AS April 01, 2022
Assets						
Non-current assets						
Property, plant & equipments	B5	1,382.02	(307.46)	-	-	1,074.56
Capital work in progress	B5	60.45	(7.41)	-	-	53.03
Investment property	B5	-	20.88	-	-	20.88
Goodwill	B5	-	3.64	-	-	3.64
Other intangible assets	B5,B6	19.35	282.74	20.00	-	322.09
Intangible assets under development	B5	-	7.41			7.41
Financial assets						-
(i) Investments	B5	0.50	-	-	-	0.50
(ii) Other financial asset	B1,B5	-	53.30	-	-	53.30
Deferred tax assets (net)	B5,B3	(0.00)	(5.46)	56.87	-	51.41
Non-current tax assets (net)	B5	-	36.52	-	-	36.52
Other non current assets	B5,B6	0.00	31.07	3.09	-	34.16
Total non current assets		1,462.32	115.21	79.96	-	1,657.50
Current assets						
Inventories	B9	452.73	0.00	-	(4.21)	448.52
Financial assets						
(i) Trade receivables	B5,B7	3,599.54	(0.42)	(248.47)	-	3,350.65
(ii) Cash and cash equivalents	B5	1,202.11	(586.13)	-	-	615.98
(iii) Bank balances other than (ii) above	B5	-	638.01	-	-	638.01
(iv) Short term loans & advances	B5	390.14	(390.14)	-	-	(0.00)
(v) Loans	B5	-	1.26	-	-	1.26
(vi) Others financial assets	B1,B5	-	52.08	39.12	-	91.20
Other current assets	B5,B6,B4	78.21	247.08	(1.17)	-	324.11
Total current assets		5,722.73	(38.25)	(210.53)	(4.21)	5,469.73
Total assets		7,185.05	76.96	(130.57)	(4.21)	7,127.23
Equity & liabilities						
Equity						
Equity share capital		50.00	-	-	-	50.00
Other equity		3,099.79	-	(107.97)	(4.21)	2,987.61
Equity attributable to equity shareholders of the Holding Company		3,149.79	-	(107.97)	(4.21)	3,037.61
Non-controlling interest		169.65	-	(23.68)	-	145.97
Total equity	49	3,319.44	-	(131.64)	(4.21)	3,183.58
Non current liabilities						
Financial liabilities						
(i) Borrowings	B5	496.04	-	-	-	496.04
(ii) Other financial liabilities	B1,B5	-	10.21	(2.18)	-	8.03
Deferred tax liabilities (net)	B5,B3	3.22	(5.47)	2.25	-	0.00
Long term liabilities	B5	2.19	(2.19)	-	-	-
Provisions	B5	76.54	(15.64)	(0.15)	-	60.76
Total non current liabilities		577.99	(13.09)	(0.08)	-	564.83
Current liabilities						
Financial liabilities						
(i) Borrowings	B5	742.67	91.30	-	-	833.97
(ii) Trade payables	B5	1,911.28	(1,911.28)	-	-	(0.00)
-Total outstanding dues of micro and small enterprises	B5	-	15.75	-	-	15.75
-Total outstanding dues of creditors other than micro and small enterprises	B5		2,252.01	-	-	2,252.01
(iii) Other financial liabilities	B1,B5	-	79.87	1.20	-	81.06
Other current liabilities	B5	429.77	(260.29)	-	-	169.48
Provisions	B5	203.90	(188.27)	-	-	15.63
Current tax liabilities (net)	B5	-	10.92	-	-	10.92
Total current liabilities		3,287.62	90.01	1.20	-	3,378.83
Total equity & liabilities		7,185.05	76.96	(130.57)	(4.21)	7,127.23

49 First time adoption of Ind AS ('FTA')

Reconciliation between previous GAAP and Ind AS

The following reconciliations provide the explanation and qualification of the differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101, First time adoption of Indian Accounting Standards.

II. Equity reconciliation

Particulars	Notes	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Equity as reported under previous GAAP		5,896.71	3,467.97	3,319.44
Ind AS adjustments :				
Expected credit loss allowance	B7	(365.58)	(267.11)	(248.19)
Interest expense on lease liability	B2	(0.10)	-	-
Amortisation of right to use assets	B2	(0.42)	-	-
Remeasurement of processing fees on borrowings	B6	0.36	0.37	0.36
Unwinding of security deposit and income on Ind AS adjustment	B1	(0.78)	(0.28)	(0.07)
Remeasurement of foreign currency translation reserve	A(iv)	0.00	(0.32)	(0.20)
Remeasurement of employee defined benefit plans	A(d)	(13.52)	3.04	0.15
Remeasurement of depreciation due to service concession arrangement	A(a)	56.23	41.42	22.87
Interest income on corporate gurantee	B11	119.76	80.23	39.92
Provision of warranty	A(c)	4.95	-	-
Prior period adjustment :				
Preliminary expenses written off	B4	-	(0.58)	(1.17)
Prior period adjustment on inventory	B9	14.08	(28.72)	(4.21)
Adjustments pertaining to cut off of revenue reversal	B10	(775.44)	-	-
Adjustments pertaining to cut off cost reversal	B10	680.46	-	-
Deferred tax impact on Ind AS and other comprehensive income adjustments	B8	55.26	55.52	54.68
Other equity as per Ind AS		5,671.97	3,351.54	3,183.58

The group has made certain errors in adoption of accounting policies and estimates under previous GAAP. During the current year, on transition to Ind AS, the group has rectified these errors by restating the financial statement for the respective years. These adjustments are on account of:-

Total comprehensive income reconciliation for the year ended:

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit after tax as per previous GAAP		2,428.90	150.86
Ind AS adjustments			
Expected credit loss allowance	B7	(93.44)	(20.45)
Interest income on corporate guarantee and Ind AS adjustment	B1,B11	42.03	42.57
Interest expenses on Ind AS adjustment	B2	(2.68)	(1.86)
Adjustments of employee benefit obligation	A(d)	(45.60)	(2.56)
Adjustments of depreciation due to service concession arrangement	A(a)	14.34	18.67
Preliminary expenses written off	B4	-	(0.88)
Adjustment in foreign currency translation	A(iv)	0.58	1.09
Prior period adjustment :			
Adjustments pertaining to cut off of revenue reversal	B10	(775.44)	-
Adjustments pertaining to cut off cost reversal	B10	680.46	-
Prior period adjustment on inventory	B9	42.80	(24.51)
Adjustment of deferred tax on aforesaid adjustment	B8	6.76	2.41
Net Profit after tax as per Ind AS		2,298.71	165.33
Other comprehensive income (net of tax)	B8	21.72	3.89
Exchange differences on translation of foreign operations	A(iv)	0.00	(1.26)
Total comprehensive income as per Ind AS		2,320.43	167.96

Cash flow reconciliation for the year ended March 31, 2024

Particulars	As per previous GAAP	Ind AS Adjustment	As per Ind AS
Net cash flows from operating activities	3,712.48	(1,571.24)	2,141.24
Net cash flows used in investing activities	138.01	(3,315.78)	(3,177.77)
Net cash flows from financing activities	177.05	1,714.30	1,891.35
Net increase/(decrease) in cash and cash equivalents	4,027.54	(3,172.72)	854.81
Cash and cash equivalents at the April 01,2023	1,301.08	(1,198.39)	102.68
Cash and cash equivalents at the March 31, 2024	5,328.61	(4,371.13)	957.49

Cash flow reconciliation for the year ended March 31, 2023

Particulars	As per previous GAAP	Ind AS Adjustment	As per Ind AS
Net cash flows from operating activities	341.35	(779.16)	(437.81)
Net cash flows used in investing activities	(10.01)	(537.60)	(547.61)
Net cash flows from financing activities	(232.38)	704.49	472.12
Net increase/(decrease) in cash and cash equivalents	98.96	(612.26)	(513.30)
Cash and cash equivalents at the April 01, 2022	1,202.11	(586.13)	615.98
Cash and cash equivalents at the March 31, 2023	1,301.07	(1,198.39)	102.68

A. Exemptions availed on first time adoption of Ind AS

Ind AS - 101 allows first-time adopters certain exemptions and certain optional exemptions from the retrospective application of certain requirements under Ind AS. The group has applied the following exemptions and optional exemptions :

(i) Mandatory Exceptions :

(a) Estimates :-

On assessment of the estimates made under the previous GAAP financial statements, the group has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the group for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at Amortised cost.
- Determination of the discounted value for financial instruments carried are amortised cost.
- Impairment of financial assets based on the expected credit loss model.

(b) Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.

There are no items of financial asset and liabilities which are required to be de recognised as per Ind AS 109.

(c) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of entity's choice provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

(d) Remeasurement of post-employment benefit obligations

Under Ind AS, Remeasurement i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit and loss. Under the previous GAAP, this remeasurement was forming part of the profit and loss for the year.

(e) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but in other comprehensive income under "Statement of Profit and Loss (including other comprehensive income)" includes re-measurements of defined benefit plans and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.

(ii) Optional Exemption :

(a) Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the group has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date April 01, 2022. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on the transition date i.e. April 01, 2022 while preparing the restated consolidated financial statements. For the purpose of financial statements for the year ended March 31, 2024 and March 31, 2023 the group has provided the depreciation based on the estimated useful life of respective years.

(b) Recognition of Right of Use and Lease Liability

Ind AS - 116 is applied with full retrospective approach. The group has identified leases since its inception of all lease contracts that are presented in the financial statements, and has restated the comparative years presented.

The group also applied the available practical expedient wherein it

- has used a single discount rate for leases with reasonably similar characteristics
- has elected to apply short term lease exemption to leases for which the lease term ends within 12 months of the date of initial application
- has excluded the initial direct costs from the measurement of the right of use assets at the date of initial application

(iii) Reconciliation between previous GAAP and Ind AS

Transition from previous GAAP to Ind AS, balance sheet and statement of profit and loss accounts does not have any impact except the reclassification, remeasurement and prior period error as required by the Ind AS.

(iv) FCTR Exemption

Transition from previous GAAP to Ind AS, can choose to reset the FCTR balance to zero at the date of transition to Ind AS. If the exemption is applied, the cumulative FCTR amount recognized in other comprehensive income under the previous GAAP is transferred to retained earnings. Post-transition, foreign currency translation differences are recognized in Other Comprehensive Income (OCI) as required by Ind AS 21 (The Effects of Changes in Foreign Exchange Rates).

B. Explanatory notes for Ind AS adjustments

B1: Financial assets measured at amortised cost

Fair value of financial assets and liabilities The group has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transactions cost less allowances for impairment, if any. Under Ind AS, these financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost, less allowance for impairment, if any. For transactions entered into on or after the date of transition to Ind AS, the requirement of initial recognition at fair value is applied prospectively.

B2: Lease accounting

Under the Indian GAAP, lease rentals related to operating lease were accounted as expense in the statement of profit and loss. Under Ind AS, lease liability and right of use ('ROU') is recorded at present value of future contractual rent payment on initial date of lease. Subsequently, finance cost is accrued on lease liability and lease payments are recorded by way of reduction in lease liability. ROU is depreciated over lease term.

Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.

Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

B3: Deferred tax adjustments

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through statement of profit and loss or other comprehensive income.

B4: Preliminary expenses written off

The group has written off previously capitalized preliminary expenses that do not meet the recognition criteria under Ind AS. The carrying amount of such expenses has been adjusted against retained earnings on the date of transition.

B5: Regrouping / Reclassification

Appropriate adjustments have been made in the restated consolidated financial statement, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the Ind AS presentation requirements.

B6: Borrowing cost

The group has capitalized processing fees related to borrowings incurred for the acquisition or construction of intangible assets. The unamortised portion of such fees, previously recognized as a finance cost under Indian GAAP, has been adjusted against the carrying amount of intangible assets as part of the transition adjustments on the date of first-time adoption of Ind AS. The amortization of this cost will continue over the tenure of the related borrowings using the effective interest rate (EIR) method."

B7: Provision of expected credit loss on trade receivables

In accordance with Ind AS 109 Financial Instruments, the group has recognized an Expected Credit Loss (ECL) provision on financial assets measured at amortized cost, including trade receivables, for the first time. The ECL provision has been determined using the simplified approach for trade receivables and the general approach for other financial assets. The adjustment related to the creation of this provision has been recognized in retained earnings as of the date of transition, as required under Ind AS 101 First-time Adoption of Indian Accounting Standards."

B8: Remeasurements of the defined benefit plans reclassified to OCI

Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss. This change does not affect total equity.

B9: Adjustment under inventory

Under previous GAAP, the group discovered that certain adjustments pertaining to inventory valuation at year end were erroneously omitted. This resulted increase or decrease in inventory valuation has been recognized through a corresponding adjustment in retained earnings and restatement of comparative figures where applicable."

B10: Reversal of revenue and purchase

Under previous GAAP, the group discovered that certain adjustments pertaining to cut off of revenue and purchase at year end were erroneously omitted. This resulted in an adjustment to the affected financial statement line items for prior years that is not the result of a change in accounting policy.

B11: Corporate Guarantee Expenses and Income

The group has recognized corporate guarantee obligations in accordance with the measurement and recognition criteria prescribed under the standard. Corporate guarantee expenses represent the fair value of guarantees provided to related and third parties, which have been recognized as a liability at inception and subsequently amortized over the guarantee period. Correspondingly, income related to guarantees provided has been recognized to reflect the fair value of the consideration received.

49 Notes to adjustments (cont'd):

Statement of Restatement adjustments to audited restated consolidated financials statements/Audited special purpose consolidated financial statements.

Reconciliation between audited equity and restated equity:

Particulars	Notes	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total equity as per restated consolidated financial statements/special purpose consolidated financial statements		5,671.97	3,351.54	3,183.58
Adjustments :				
Adjustment for audit qualification	1	-	-	-
Total equity as per restated statement of assets and liabilities		5,671.97	3,351.54	3,183.58

Reconciliation between audited and restated profit/(loss) after tax before other comprehensive income:

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit after tax as per restated consolidated financial statements/special purpose consolidated financial statements		2,298.71	165.33	115.02
Adjustments :				
Adjustment for audit qualification	1	-	-	-
Restated profit/(Loss)		2,298.71	165.33	115.02

Reconciliation between audited and restated total comprehensive income

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Total comprehensive income as per as per consolidated financial statements/special purpose consolidated financial statements		2,320.43	167.96	116.38
Adjustments :				
Adjustment for audit qualification	1	-	-	-
Restated total comprehensive income		2,320.43	167.96	116.38

Notes to adjustments :

1) Non adjusting items

a) Audit qualifications for the respective years, which do not require any adjustments in the restated consolidated financial statement:

- (i) There are no audit qualifications in the auditor's report on the consolidated financial statements of the Company for the year ended March 31, 2025.
- (ii) There are no audit qualifications in the auditor's report on the consolidated financial statements of the Company for the year ended March 31, 2024.
- (iii) There are no audit qualifications in the auditor's report on the special purpose Ind AS financial statements of the Company for the year ended March 31, 2024.
- (iv) There are no audit qualifications in the auditor's report on the special purpose Ind AS financial statements of the Company for the year ended March 31, 2023.

b) Statements/comments included in the Companies (Auditor's Report) Order, 2016 or Companies (Auditor's Report) Order, 2020, which do not require any corrective adjustments in the restated consolidated financial information

Holding Company "Pace Digitek Limited"

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Clause (i)(a)(A) of Report on maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment	NA	The company has not updated the Fixed Assets register. Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been maintained.	The company has not updated the Fixed Assets register. Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been maintained.
Clause (i)(b) of Report on Whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals	NA	The Property, Plant, and Equipment have been physically verified by the management at reasonable intervals. However, due to the absence of complete records, it is not possible to comment on any discrepancies, if any.	As explained to us, the property, plant, and equipment have been physically verified by the management at reasonable intervals. However, in the absence of complete records, it is not possible to comment on any discrepancies, if any.

Clause (ii)(a) of Report on Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;	the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of standalone financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company. Details of the same are given below:	According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.50.00 million, in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly stock statements as submitted to the banks or financial institutions are not in agreement with the books of accounts. Details of the inventory as submitted to the bank and as per the audited books of accounts is as under:	According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.50.00 million, in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly stock statements as submitted to the banks or financial institutions are not in agreement with the books of accounts. Details of the inventory as submitted to the bank and as per the audited books of accounts is as under:

As at March 31, 2025

Quarter ending	Value of inventory in rupees in million			
	As per books	As submitted	Difference	Remarks
June	1,446.09	1,432.00	14.09	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September	1,421.60	1,421.60	-	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December	1,354.26	1,161.40	192.86	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March	440.29	1,155.30	(715.01)	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter ending	Value of trade receivables in rupees in million			
	As per books	As submitted	Difference	Remarks
June	8,948.79	9,823.70	(874.91)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September	13,470.86	13,791.20	(320.34)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December	14,191.35	14,375.70	(184.35)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March	17,216.07	9,469.10	7,746.97	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter ending	Value of trade payable in rupees in million			
	As per books	As submitted	Difference	Remarks
June	7,998.51	6,325.10	1,673.41	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September	8,886.72	7,758.60	1,128.12	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December	5,954.97	4,885.80	1,069.17	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March	10,370.03	10,580.40	(210.37)	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter ending	Value of revenue in rupees in million			
	As per books	As submitted	Difference	Remarks
June	3,297.36	4,047.80	(750.44)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September	7,412.62	7,412.80	(0.18)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December	4,153.59	4,134.60	18.99	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March	7,246.21	7,125.00	121.21	The difference is mainly due to reporting to banks are prior to quarterly closure of books

As at March 31, 2024

Quarter ending	Value of stocks in rupees in million			
	As per books	As submitted	Difference	Remarks
June	306.40	530.40	(224.00)	Unbilled revenue added to WIP & revaluation of stock
September	2,151.50	2,613.40	(461.90)	Unbilled revenue added to WIP & revaluation of stock
December	1,352.40	1,654.60	(302.20)	Unbilled revenue added to WIP & revaluation of stock
March	1,141.20	1,995.50	(854.30)	Unbilled revenue added to WIP & revaluation of stock

Quarter ending	Value of debtors in rupees in million			
	As per books	As submitted	Difference	Remarks
June	2,606.10	2,606.10	-	
September	1,474.80	1,474.80	-	
December	2,337.50	2,337.50	-	
March	9,975.60	7,533.10	(2,442.50)	Unbilled revenue added

As at March 31, 2023

Quarter ending	Value of stocks in rupees in million			
	As per books	As submitted	Difference	Remarks
June	205.20	205.20	-	
September	196.00	196.00	-	
December	156.50	156.50	-	
March	454.22	189.10	265.12	Unbilled revenue added to WIP & revaluation of stock

Quarter ending	Value of debtors in rupees in million			
	As per books	As submitted	Difference	Remarks
June	2,082.70	2,082.70	-	
September	1,878.70	1,878.70	-	
December	1,512.30	1,512.30	-	
March	201.00	2,627.90	(2,426.90)	In march-23 projected sales added to accounts receivables but added back to WIP unbilled & 26 AS TDS was accounted

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Clause (vii)(a) of Report on regular in depositing undisputed statutory dues	According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable have generally been regularly deposited by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, except in case of employees provident fund and employees' state insurance payments amounting to Rs. 0.09 million	According to the information and explanations given to us, and based on our examination of the records of the Company, undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess, and other material statutory dues applicable to the Company, have been regularly deposited with the appropriate authorities during the year, except for advance tax payable under the Income Tax Act, 1961. There were no undisputed amounts payable in respect of the above and other material statutory dues that were in arrears as of 31 March 2024, for a period of more than six months from the date they became payable.	NA

Clause (xiv) of Report on internal audit system	NA	The Company is required to have an internal audit system under section 138 of the Act, it does not have the same established for the year.	The Company is required to have an internal audit system under section 138 of the Act, it does not have the same established for the year.

Clause (xx) of Report on transferred unspent amount to a Fund	In respect of other than ongoing projects, the Company has transferred unspent amount to a fund specified in Schedule VII to the Act, within a period of six months from end of the financial year in compliance with second proviso to sub section (5) of section 135 the Act, except in respect of the following. Amount unspent on corporate social responsibility activities for other than ongoing projects 2024-25 -Rs 16.02 million 2023-24 -Rs 2.39 million 2022-23 -Rs 1.65 million	The unspent amount of CSR is Rs. 4.04 millions as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.	The unspent amount of CSR is Rs. 1.65 millions as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.

Subsidiary of Holding Company:Lineage Power Private Limited

Clause (i)(a)(A) of Report on maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment	NA	The company has not updated the Fixed Assets register.Thus, proper records showing full particulars including quantitative details and situation of As explained to us, the property, plant, and equipment have been physically verified by the management at reasonable intervals. However, in the absence of complete records, it is not possible to comment on any discrepancies, if any.	The company has not updated the Fixed Assets register.Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been As explained to us, the property, plant, and equipment have been physically verified by the management at reasonable intervals. However, in the absence of complete records, it is not possible to comment on any discrepancies, if any.

Clause (ii)(a) of Report on Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;	The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company.	According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.50 million, in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly stock statements as submitted to the banks or financial institutions are not in agreement with the books of accounts. Details of the inventory as submitted to the bank and as per the audited books of accounts is as under:	According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.50 million, in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly stock statements as submitted to the banks or financial institutions are not in agreement with the books of accounts. Details of the inventory as submitted to the bank and as per the audited books of accounts is as under:

As at March 31, 2025

Quarter ending	Value of inventory in rupees in million			
	As per books	As submitted	Difference	Remarks
June	1,645.61	965.20	680.41	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September	706.03	706.00	0.03	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December	805.34	805.30	0.04	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March	678.09	692.60	(14.51)	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter ending	Value of trade receivables in rupees in million			
	As per books	As submitted	Difference	Remarks
June	6,095.30	7,207.20	(1,111.90)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September	4,428.02	4,428.00	0.02	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December	3,942.60	3,942.60	(0.00)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March	3,308.86	3,263.60	45.26	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter ending	Value of trade payable in rupees in million			
	As per books	As submitted	Difference	Remarks
June	5,475.98	5,475.20	0.78	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September	2,560.32	2,522.30	38.02	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December	1,949.55	1,949.50	0.05	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March	1,879.02	1,879.10	(0.08)	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Quarter ending	Value of revenue in rupees in million			
	As per books	As submitted	Difference	Remarks
June	1,932.72	1,933.90	(1.18)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September	2,743.44	3,561.40	(817.96)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December	702.47	705.60	(3.13)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March	983.89	947.00	36.89	The difference is mainly due to reporting to banks are prior to quarterly closure of books

As at March 31, 2024

Quarter ending	Value of stocks in rupees in million			
	As per books	As submitted	Difference	Remarks
June	584.90	584.90	-	
September	776.20	776.20	-	
December	1,385.90	1,385.90	-	
March	-	366.41	(366.41)	Invoice booked after stock statement given to the bank

Quarter ending	Value of debtors in rupees in million			
	As per books	As submitted	Difference	Remarks
June	1,109.70	1,109.70	-	
September	1,267.40	1,267.40	-	
December	1,758.40	1,758.40	-	
March	0.10	2,004.40	(2,004.30)	Customer advances not removed in details submitted to bank & invoices booked after statement given to bank

As at March 31, 2023

Quarter ending	Value of stocks in rupees in million			
	As per books	As submitted	Difference	Remarks
June	299.90	299.90	-	
September	289.40	289.40	-	
December	375.90	376.00	(0.10)	Rounding Value
March	393.00	366.40	26.60	Invoice booked after stock statement given to bank

Quarter ending	Value of debtors in rupees in million			
	As per books	As submitted	Difference	Remarks
June	882.30	882.30	-	
September	777.70	777.70	-	
December	951.10	951.10	-	
March	2,114.10	2,110.10	4.00	Customer advances not removed in details submitted to bank

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Clause (vii)(a) of Report on regular in depositing undisputed statutory dues	NA	According to the information and explanations given to us and based on our examination of the records of the Company, undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess, and other material statutory dues applicable to the Company, except advance income tax, have been regularly deposited with the appropriate authorities during the year. There were no undisputed amounts payable in respect of the above and other material statutory dues in arrears as of March 31, 2024, for a period of more than six months from the date they became payable.	NA

Clause (xiv) of Report on internal audit system	NA	In our opinion, although the company is required to have an internal audit system under Section 138 of the Act, it has not established the same for the year.	In our opinion, although the company is required to have an internal audit system under Section 138 of the Act, it has not established the same for the year.

Clause (xx) of Report on transferred unspent amount to a Fund	In respect of other than ongoing projects, the Company has transferred unspent amount to a fund specified in Schedule VII to the Companies Act 2013 (the Act), within a period of six months from end of the financial year in compliance with second proviso to sub section (5) of section 135 the Act, except in respect of the following. Amount unspent on corporate social responsibility activities for other than ongoing projects 2024-25 -Rs 7.67 million 2023-24 -Rs 1.69 million 2022-23 -Rs 1.43 million	The unspent amount of CSR is Rs. 3.12 millions as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.	The unspent amount of CSR is Rs. 1.43 millions as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.

Subsidiary of Holding Company: Pace Renewables Energies Private Limited

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Clause (i)(a)(A) of Report on maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment	NA	The company has not updated the Fixed Assets register. Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been maintained. As explained to us, the property, plant, and equipment have been physically verified by the management at reasonable intervals. However, in the absence of complete records, it is not possible to comment on any discrepancies, if any.	The company has not updated the Fixed Assets register. Thus, proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment have not been maintained. As explained to us, the property, plant, and equipment have been physically verified by the management at reasonable intervals. However, in the absence of complete records, it is not possible to comment on any discrepancies, if any.

Clause (xx) of Report on transferred unspent amount to a Fund	The Company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 (the Act), till the date of the report. However, the period for such transfer i.e. six months of the expiry of the financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report. However, in respect of the unspent CSR amount which has not been transferred to the specified fund, details of which have been given below Amount unspent on corporate social responsibility activities for other than ongoing projects 2024-25 -Rs 0.20 million 2023-24 -Rs 0.48 million 2022-23 -Rs 1.18 million	The unspent amount of CSR is Rs. 1.66 million as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.	The unspent amount of CSR is Rs. 1.18 million as at the balance sheet date. This amount is not transferred by the Company to a fund specified in Schedule VII of the Companies Act upto the date of this report.

c) Emphasis of matters not requiring adjustments to restated financial statements

1. Emphasis of matter given in the auditor's report for the financial year ending March 31, 2025

Nil

2. Emphasis of matter given in the auditor's report for the financial year ending March 31, 2024

Nil

3. Emphasis of matter given in the auditor's report for the financial year ending March 31, 2023

Nil

3) Material regrouping/reclassification

Appropriate 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 special purpose consolidated financial statements of the Company prepared in accordance with Schedule III (Division II) of the Act, requirements of Ind AS 1- 'Presentation of financial statements and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

4) Material errors

There are no material errors that require any adjustment in the restated consolidated financial information.

Pace Digitek Limited
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Notes to the restated consolidated financial information
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50 Other statutory information

(a) Details of benami property held

The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(b) Relationship with struck off companies

The Group has not entered into any transactions with struck off companies during the year ended March 31, 2025, March 31, 2024, March 31, 2023.

(c) Details of crypto currency or virtual currency

The Group has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2025, March 31, 2024, March 31, 2023.

(d) Details of transaction disclosed under Income Tax

The Group has not 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)

(e) Charges or satisfaction

The Group does not have any charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(f) Details of advanced or loaned or invested funds

The Group has not advanced or loaned or invested funds to any other person or entity, 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

(g) Details of fund received

The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(h) Willful defaulter

The Group is not a willful defaulter of any loan or other borrowing from any lender.

(i) Compliance with number of layers of companies

The Group has complied with the number of layers of companies prescribed under the Companies Act, 2013.

(j) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact in the year ended March 31, 2025, March 31, 2024, March 31, 2023.

(k) Revaluation

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year ended March 31, 2025, March 31, 2024, March 31, 2023.

(l) Borrowing secured against assets

The Group has borrowings from banks and financial institutions on the basis of security of current assets.

(m) Purpose of borrowings

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken and the Group has not used funds raised on short term basis for long term purpose.

51 Additional information pursuant to Division II of Schedule III to the Companies Act, 2013 'General instructions, of enterprises consolidated as subsidiaries for the preparation of restated consolidated financial information.

(i) As of March 31, 2025

Name of the entity	Net assets i.e. total assets minus total		Share in profit/ (loss)		Share in OCI		Share in total comprehensive income	
	% of restated consolidated net assets	Amount	% of restated consolidated profit/ (loss)	Amount	% of restated consolidated OCI	Amount	% of restated consolidated total other comprehensive income	Amount
Holding Company:								
Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	84.06%	9,834.65	87.19%	2,333.23	63.55%	0.47	87.18%	2,333.70
Domestic subsidiaries:								
Pace Renewable Energies Private Limited	5.44%	636.30	(5.43%)	(145.31)	0.00%	-	(5.43%)	(145.31)
Lineage Power Private Limited	14.76%	1,727.15	22.50%	602.16	(44.21%)	(0.32)	22.48%	601.84
AP Digital Infra Private Limited	(0.00%)	(0.44)	0.48%	12.85	0.00%	-	0.48%	12.85
Inso Pace Private Limited	0.01%	0.87	0.11%	2.89	0.00%	-	0.11%	2.89
Foreign subsidiaries:								
Lineage Power Holdings (Singapore) Pte. Ltd.	0.00%	0.32	(0.02%)	(0.63)	(12.38%)	(0.09)	(0.03%)	(0.72)
Lineage Power Holdings (Myanmar) Limited	0.15%	17.12	0.07%	1.78	84.09%	0.62	0.09%	2.40
Non controlling interest in subsidiaries	(3.34%)	(391.07)	(4.30%)	(114.94)	8.96%	0.07	(4.29%)	(114.88)
Sub total	101.08%	11,824.91	100.60%	2,692.13	100.00%	0.74	100.60%	2,692.88
Less: Intercompany elimination and consolidation adjustments	(1.08%)	(125.96)	(0.60%)	(16.06)	0.00%	-	(0.60%)	(16.06)
Total	100.00%	11,698.95	100.00%	2,676.08	100.00%	0.74	100.00%	2,676.81

(ii) As of March 31, 2024

Name of the entity	Net assets i.e. total assets minus total		Share in profit/ (loss)		Share in OCI		Share in total comprehensive income	
	% of restated consolidated net assets	Amount	% of restated consolidated profit/ (loss)	Amount	% of restated consolidated OCI	Amount	% of restated consolidated total other comprehensive income	Amount
Holding Company:								
Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	71.81%	3874.52	77.61%	1703.14	27.74%	5.09	77.20%	1708.23
Domestic subsidiaries:								
Pace Renewable Energies Private Limited	14.49%	781.60	5.21%	114.35	0.00%	-	5.17%	114.35
Lineage Power Private Limited	20.86%	1125.35	21.88%	480.02	90.63%	16.63	22.45%	496.66
AP Digital Infra Private Limited	(0.25%)	(13.29)	(0.07%)	(1.47)	0.00%	-	(0.07%)	(1.47)
Inso Pace Private Limited	(0.04%)	(2.02)	(0.00%)	(0.09)	0.00%	-	(0.00%)	(0.09)
Foreign subsidiaries:								
Lineage Power Holdings (Singapore) Pte. Ltd.	0.02%	1.04	(0.02%)	(0.48)	(0.11%)	(0.02)	(0.02%)	(0.50)
Lineage Power Holdings (Myanmar) Limited	0.27%	14.71	0.08%	1.68	0.12%	0.02	0.08%	1.71
Non controlling interest in subsidiaries	(5.12%)	(276.20)	(4.76%)	(104.36)	(18.37%)	(3.37)	(4.87%)	(107.73)
Sub total	102.04%	5505.71	99.93%	2192.79	100.00%	18.35	99.93%	2211.16
Less: Intercompany elimination and consolidation adjustments	(2.04%)	(109.94)	(0.07%)	(1.56)	0.00%	-	(0.07%)	(1.56)
Total	100.00%	5395.77	100.00%	2194.35	100.00%	18.35	100.00%	2212.70

(iii) As of March 31, 2023

Name of the entity	Net assets i.e. total assets minus total		Share in profit/ (loss)		Share in OCI		Share in total comprehensive income	
	% of restated consolidated net assets	Amount	% of restated consolidated profit/ (loss)	Amount	% of restated consolidated OCI	Amount	% of restated consolidated total other comprehensive income	Amount
Holding Company:								
Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	68.06%	2166.35	15.05%	21.51	139.86%	3.42	17.14%	24.93
Domestic subsidiaries:								
Pace Renewable Energies Private Limited	20.96%	667.26	30.55%	43.66	0.00%	-	30.01%	43.66
Lineage Power Private Limited	19.75%	628.68	68.20%	97.47	18.90%	0.46	67.33%	97.94
AP Digital Infra Private Limited	(0.37%)	(11.82)	(1.05%)	(1.50)	0.00%	-	(1.03%)	(1.50)
Inso Pace Private Limited	(0.06%)	(1.93)	(0.10%)	(0.14)	0.00%	-	(0.10%)	(0.14)
Foreign subsidiaries:								
Lineage Power Holdings (Singapore) Pte. Ltd.	0.05%	1.54	1.41%	2.01	(2.79%)	(0.07)	1.33%	1.94
Lineage Power Holdings (Myanmar) Limited	0.41%	13.00	0.70%	1.00	(52.14%)	(1.28)	(0.19%)	(0.28)
Non controlling interest in subsidiaries	(5.29%)	(168.47)	(15.68%)	(22.41)	(3.83%)	(0.09)	(15.47%)	(22.50)
Sub total	103.50%	3294.60	99.06%	141.58	100.00%	2.45	99.02%	144.08
Less: Intercompany elimination and consolidation adjustments	(3.50%)	(111.53)	(0.94%)	(1.34)	0.00%	-	(0.92%)	(1.34)
Total	100.00%	3183.07	98.13%	142.92	100.00%	2.45	98.10%	145.46

52 Contingent liabilities, contingent assets and litigations, corporate guarantees and capital commitments

a) Guarantees

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Guarantees issued by banks and financial institutions on behalf of the group			
Outstanding bank guarantee	5,460.56	7,860.25	864.90
Outstanding letter of credit	801.79	1,692.94	579.87
Total	6,262.35	9,553.19	1,444.77

The financial bank guarantees have been issued to various entities.

b) Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Claims against the group not acknowledged as debts:			
Direct tax matters	93.76	94.56	55.60
Indirect tax matters	460.84	423.53	154.79
Total	554.60	518.09	210.39

The Group pending litigations comprise of claims against the proceedings pending with various direct tax, indirect tax. The Management has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its restated consolidated financial statements. The Management does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

53 Subsequent event

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the issuance of the restated consolidated financial statements to determine the necessity for recognition and/or reporting of any such events and transactions in the restated consolidated financial statements.

As of August 30, 2025, there were no subsequent events to be recognized or reported in these restated consolidated financial statements.

Basis of preparation and material accounting policies

See accompanying notes form an integral part of the restated consolidated financial information

As per our report of even date

For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm's Registration No. 000756N/N500441

For and on behalf of the Board

Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

AMIT GOEL
Partner
Membership No. 500607
Place: New Delhi
Date: August 30, 2025

Venugopalrao Maddisetty
Managing Director
DIN-02070491
Place: Bangalore
Date: August 30, 2025

Maddisetty Padma
Whole-Time-Director
DIN-02070662
Place: Bangalore
Date: August 30, 2025

Pandidurai Rajavendhan
Chief Financial Officer
Membership No. 221057
Place: Bangalore
Date: August 30, 2025

Meghana Purushotham Manchaiah
Company Secretary
Membership No. A42534
Place: Bangalore
Date: August 30, 2025

Pace Digitek Limited

(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

CIN: U31909KA2007PLC041949

Notes and other explanatory information to restated consolidated financial information

(Amounts are ₹ in million unless otherwise stated)

1. Corporate information

Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) (“the Company” or “Holding Company”) is a public company domiciled in India and was incorporated on March 1, 2007 under the erstwhile Companies Act, 1956 with its registered office in Bengaluru, Karnataka. The Group (“the holding company and its subsidiaries are collectively referred to as “the group”) is primarily engaged in the business of Infra Power Management, Green Energy and Telecom, Solar Energy Solutions, Hybrid Solutions and Remote Monitoring Solutions, related operation and maintenance and product services infrastructure such as Urban Infrastructure, Power and Power Transmission.

The Holding Company has been converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the board meeting of the Holding Company held on October 16, 2024 and consequently the name of the Company has been changed to Pace Digitek Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies on November 19, 2024.

The Company's restated summary statements were approved for issue in accordance with a resolution of the directors on August 30, 2025.

1.1. Statement of compliance and basis of preparation of restated consolidated financial information

The restated consolidated financial information comprises the restated consolidated statement of assets and liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023 the restated consolidated statement of profit and loss including other comprehensive income, the restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the material accounting policies and explanatory notes to restated consolidated financial information (hereinafter collectively referred to as “Restated Consolidated Financial Information”).

The restated financial information has been approved by the Board of Directors of the Company at their meeting held on August 30, 2025. The restated consolidated financial information of the Group has been specifically prepared for inclusion in the Prospectus to be filed by the Company with the Securities and Exchange Board of India (“SEBI”) in connection with the proposed Initial Public Offer of equity shares of face value of Rs. 2 each (“Offer”) of the Company (referred to as the “Issuer”).

The restated consolidated financial information has been prepared by the management of the Company to comply in all material respects with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
- b) Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and
- c) The Guidance Note on reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

The restated consolidated financial information has been compiled by the Management from:

- a. The audited consolidated financial information as at and for the year ended March 31, 2025 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 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 August 11, 2025.
- b. The special purpose consolidated financial information of the Group for the year ended March 31, 2024 and March 31, 2023 prepared by the management in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act and other accounting principles generally accepted in India (“**Special Purpose Consolidated**

Pace Digitek Limited

(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

CIN: U31909KA2007PLC041949

Notes and other explanatory information to restated consolidated financial information

(Amounts are ₹ in million unless otherwise stated)

Financial Information”), which have been approved by the Board of Directors at their Board meetings held on February 17, 2025 respectively.

The special purpose consolidated financial statements for the years ended March 31, 2024 and March 31, 2023 were approved by the Board of Directors on February 17, 2025 and have been prepared using the financial statements which were earlier prepared in accordance with Accounting Standards prescribed under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India (hereinafter referred to as ‘Indian GAAP financial statements’) for the respective aforementioned periods, being the applicable financial reporting framework of the Company in such periods. The said audited Indian GAAP financial statements have been adjusted for the differences in the accounting principles on transition to Ind AS, as per the requirements of Ind AS 101, First-time Adoption of the Indian Accounting Standards (‘Ind AS 101’). Such audited Indian GAAP financial statements for the years ended March 31, 2024 and March 31, 2023 were approved by the Board of Directors at their meeting held on June 24, 2024 and September 30, 2023 respectively.

The transition date considered for the purpose of special purpose consolidated financial statements for the years ended March 31, 2024 and March 31, 2023 is April 01, 2022. Accordingly, the Company has applied the accounting policy choices (both mandatory exceptions and optional exemptions available as per Ind AS 101) as on April 01, 2022 for these special purpose consolidated financial statements.

The accounting policies have been consistently applied by the Company in preparation of the Restated Consolidated Financial Information and are consistent with those adopted in the preparation of the special purpose consolidated financial statements as at and for the year ended March 31, 2024.

The special purpose consolidated financial statements referred to above have been prepared solely for the purpose of preparation of restated consolidated financial information for inclusion in Prospectus by the Company in connection with its proposed Initial Public Offer (“IPO”). Hence, this special purpose consolidated financial statements are not suitable for any other purpose other than for the purpose of preparation of restated consolidated financial information.

The Restated Consolidated Financial Information have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI ICDR Regulations:

- a) Adjustments to the profits or losses of the earlier periods and of the period in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods, if any;
- b) Adjustments for reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the groupings as per the special purpose consolidated financial statements as at and for the year ended March 31, 2024 and the requirements of the ICDR Regulations, if any; and
- c) The resultant impact of tax due to the aforesaid adjustments, if any.

Accounting policies have been consistently applied by the Group in preparation of the restated consolidated summary statements.

The restated consolidated financial information are prepared on going concern, accrual and historical cost basis except for the following assets and liabilities which have been measured at fair value:

- Defined benefit plans-plan assets measured at fair value.
- Certain financial assets and liabilities measured at fair value
- Other financial assets and liabilities at amortised cost

The holding company and its subsidiaries has prepared the restated consolidated financial information on the basis that it will continue to operate as a going concern.

Pace Digitek Limited**(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)****CIN: U31909KA2007PLC041949**

Notes and other explanatory information to restated consolidated financial information

(Amounts are ₹ in million unless otherwise stated)

The restated consolidated financial information are presented in Indian Rupees (Rs.) and all values are rounded to the nearest million, except when otherwise indicated.

1.2 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non- current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle - Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and deferred tax 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.

1.3 Basis of consolidation

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:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) 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:

- (i) The contractual arrangement with the other vote holders of the investee
- (ii) Rights arising from other contractual arrangements
- (iii) The Group's voting rights and potential voting rights
- (iv) 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 restated consolidated financial information from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated consolidated financial information 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 information for like transactions and events in similar circumstances, appropriate adjustments are made

Pace Digitek Limited**(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)****CIN: U31909KA2007PLC041949**

Notes and other explanatory information to restated consolidated financial information

(Amounts are ₹ in million unless otherwise stated)

to that Group member's financial statements in preparing the restated consolidated financial information to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31. When the end of the reporting period of the Holding Company is different from that of a other group companies, the other group companies prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Holding Company to enable the Holding to consolidate the financial information of the group companies, unless it is impracticable to do so.

1.4 Consolidation procedure:**(A) Subsidiaries**

1. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the restated consolidated financial information at the acquisition date.
2. Offset (eliminate) the carrying amount of the holding's investment in each subsidiary and the holding's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
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 are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the 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.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding 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.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

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If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

2. Material accounting policies

The material accounting policies applied by the Group in the preparation of its restated consolidated financial information are listed below. Such accounting policies have been applied consistently to all the periods presented in these restated consolidated financial information, unless otherwise indicated.

2.1 Property, plant and equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried out in the balance sheet at cost net of accumulated depreciation and accumulated impairment losses, if any as at March 31, 2022. The Group has elected to regard those values of property as deemed cost at the date of the transition to Ind AS, i.e., April 1, 2022.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses if any. Freehold land is not depreciated.

All other items of property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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 income statement when the asset is derecognised.

Capital work-in-progress includes cost of property, plant and equipment under installation/ under development as at the balance sheet date. 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.

Depreciation is calculated on a written down value basis over the estimated useful life of the assets which is in line with the useful life prescribed under Part C of Schedule II of the Companies Act, 2013. The useful life of the assets are given below:

Particular	Useful life
Freehold land	Infinite
Building	60 years
Plant & machinery	15 years
Computer and server	3-6 years

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Motor vehicles	8 years
Furniture and fixtures	10 years
Office equipment	5 years

2.2 Investment properties

On transition to Ind AS, the group has elected to continue with the carrying value of all investment properties measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property 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. Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment properties only when there is a change in use. Transfer between investment property and owner-occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purpose.

2.3 Other intangible assets

Under the previous GAAP, Intangible assets were carried in the balance sheet at cost net of accumulated depreciation and accumulated impairment losses, if any as at March 31, 2022. The Group has elected to regard those values of intangible assets as deemed cost at the date of the transition to Ind AS, i.e., April 1, 2022.

Intangible assets acquired separately are measured on initial recognition at cost. Cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development cost, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible asset arising from a service concession arrangement refer section 2.18 Service Concession arrangements.

Intangible assets are amortised on a straight-line basis over their estimated useful life as under:

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Assets	Useful life
Software	over the period of license agreement
Right of infrastructure development	25 years

2.4 Impairment of non-financial assets

As at the end of each financial year, the carrying amounts of PPE, investment property and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and intangible assets not available for use are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of fair value less costs of disposal and the value-in-use; and
- (ii) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs of disposal and the value-in-use.

(The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the entity and from its disposal at the end of its useful life. For this purpose, the discount rate (post-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss recognised earlier is subject to full or partial reversal, the carrying amount of the asset (or cash generating unit), except impairment loss allocated to goodwill, is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

2.5 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.

Initial recognition and measurement**(i) Financial assets**

Financial assets and/or financial liabilities are recognised when the Group becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at fair value except for trade receivables not containing a significant financing component are initially measured at transaction price. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from, as the case may be, the fair value of such financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized in profit or loss.

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A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set off the recognized amounts and it is intended to either settle on net basis or to realize the asset and settle the liability simultaneously.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

A financial asset is subsequently measured at amortised cost, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income - equity

The Company measures all its equity investments except for investment in subsidiaries and associates, at fair value. Where the Company's management has opted to present fair value gain and losses on equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to the profit and loss. Dividend income from such investments is recognized in the statement of profit and loss as other income when the Company's right to receive payments is established.

Financial assets at fair value through other comprehensive income - debt

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets at fair value through the statement of profit and loss

A financial asset which is not classified in any of the above categories, are subsequently fair valued through the statement of profit and loss.

De-recognition

A financial asset is primarily derecognized when:

1. the right to receive cash flows from the asset has expired, or

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2. 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 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.

On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss

Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at FVTPL.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Outstanding customer receivables are regularly monitored. The Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical data and ageing of accounts receivable. The Group creates allowance for unsecured receivables based on historical credit loss experience, industry practice and business environment in which the entity operates and is adjusted for forward looking information. Subsequently when the Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

(ii) Financial liabilities:

All financial liabilities are recognized 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 bank overdrafts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- (i) Financial liabilities at fair value through statement of profit and loss
- (ii) Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the Effective interest rate method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective interest rate 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 Effective interest rate. The Effective interest rate amortisation is included as finance costs in the statement of profit and loss.

Trade payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually payable basis varying trade term. Trade and other payables are presented

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as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using Effective interest rate method.

Financial guarantee contracts

Financial guarantee contracts issued by the Group, are those contracts that require a payment to be made to reimburse the holder for a loss if incurred because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. If material, financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization

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.

2.6 Inventories**a) Basis of valuation:**

Inventories other than scrap materials are valued at lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

b) Method of valuation:

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- i) Cost of raw materials has been determined by using First in first out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on First in first out method
- iii) Cost of traded goods has been determined by using First in first out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- iv) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

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- v) Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

2.7 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax expense for the year comprises of current tax and deferred tax.

a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities of respective jurisdiction of group companies by using applicable tax rates and the tax laws that are enacted at the reporting date. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the holding company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty. Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity

b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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 the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or direct in equity.

All other acquired tax benefits realised are recognised in statement of profit and loss. The Group company's offsets deferred tax assets and deferred tax 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 taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.8 Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

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The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third parties and net of estimated liquidated damages. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. A receivable is recognised when the control of the product is transferred as the consideration is unconditional and payment becomes due upon passage of time as per the terms of contract with customers. The Group collects GST or other indirect taxes, if any on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

The Group derives revenues primarily from sale of power infra items, and construction/project related activity, engineering, procurement and construction (EPC) and operation and maintenance of telecommunication towers.

Revenue from sales of products

Revenue from sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations. The Group considers, whether there are other promises in the contract in which their are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of product, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer, if any.

Revenue from sales of services

The Group recognises revenue from sales of services over time, because the customer simultaneously receives and consumes the benefits provided by the Group. Revenue from services related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties.

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 for the sale of product provide customers with a right of return of the goods within a specified period.

The Group also provides retrospective volume rebates to certain customers once the quantity of product purchased during the period exceeds the threshold specified in the contract. Various rebates give rise to variable consideration. The Group applies expected value method to estimate variable consideration in the contract. The selected method gives the amount of variable consideration in the contract and primarily driven by the number of volume threshold contained in the contract. The Group then applies the requirement of constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

Warranty obligations

The Group generally provides for warranties for general repair of defects that existed at the time of sale. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets).

Significant financing components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Group is not required to adjust the promised amount of consideration for the effects of a significant financing component because it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

Revenue from construction/project related activity

Performance obligations with reference to construction/project related activity are satisfied over the period of time, and accordingly, revenue from such contracts is recognized based on progress of performance determined using input method with reference to the cost incurred on contract and their estimated total costs. Margin is not recognised until the outcome of the contract is certain. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Revenue, measured at transaction price, is adjusted towards liquidated damages, time value of money and price variations, escalation, change in scope etc. wherever, applicable. Variation in contract work and other claims are included to the extent that the amount can be measured reliably, and it is agreed with customer.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost at completion is subject to many variables and requires significant judgement. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue from operation and maintenance

Revenue from operation & maintenance is recognized as the proportion of the total period of services contract that has elapsed at the end of the reporting period.

For contracts where the aggregate of contract cost incurred to date plus recognized profits (or minus recognized losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as “Unbilled revenue”. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognized profits (or minus recognized losses, as the case may be), the surplus is shown as contract liability and termed as “Excess of billing over revenue”. Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as “Advances from customer”. The amounts billed on the customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the balance sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Revenue arising from a service concession arrangement refer section 2.18 Service Concession arrangements.

Contract balances

- Contract assets

Contract assets are right to consideration in exchange for goods or services transferred to the customer and performance obligation satisfied.

If the Group performs 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. Upon completion of the attached condition and acceptance by the customer, the amounts recognised as contract assets is reclassified to trade receivables upon invoicing. A receivables represents the Group’s right to an amount of consideration that is unconditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

- Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer or has raised the invoice in advance. If a customer pays consideration

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before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). 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).

Trade receivables

A trade 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). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

2.9 Other income**Interest income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

2.10 Retirement and other employee benefits**Short-term obligations**

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid at undiscounted value when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Defined benefit plan - Gratuity, pension fund and other defined benefit plan

The Group operates a gratuity and pension fund defined benefit plan in India, which requires contributions to be made to a separately administered fund. The Group also provides certain additional post employment defined benefits plan to employees in other jurisdiction.

In respect of one of the subsidiary of the Group, Lineage Power Private Limited, the gratuity fund defined benefit plan is being funded and the fund is managed by an independent third-party fund manager.

The liabilities with respect to defined benefit plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Group contributes to the defined benefit scheme. The difference, if any, between the actuarial valuation of the defined benefit scheme of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit and loss:

- i) Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements
- ii) Net interest expense or income 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 retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Defined contribution plan - Provident fund, employee state insurance and other defined contribution plan

Retirement benefit in the form of provident fund, employee state insurance and other defined contribution plan is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the these funds. The Group recognises contribution payable through these scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as liability after deducting the contribution already paid.

If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund. Other employee benefit - Compensated absence Liability in respect of compensated absences becoming due or expected to be availed after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

2.11 Leases

Transition

In accordance with Ind AS 101- "First-time Adoption of Indian Accounting Standards", the Group has measured lease liability at the date of transition to Ind AS at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of transition to Ind AS. The Group has measured a right-of-use asset at the date of transition to Ind AS at its carrying amount as if Ind AS 116 had been applied since the commencement date of the lease, but discounted using the incremental borrowing rate at the date of transition to Ind AS.

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. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease)

(i) 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 shorter of the lease term and the estimated useful lives of the underlying assets. 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. Refer to the accounting policies in section 'Impairment of non-financial assets'.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

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The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The Group's lease liabilities are included in other current and non-current financial liabilities. Variable lease payments that depend on sales are recognised in statement of profit and loss in the period in which the condition that triggers those payments occurs.

(iii) 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 to leases 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.

(iv) Group as a lessor

Leases for which the Group is a lessor is classified as finance or operating lease. Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.12 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

2.13 Borrowing costs

Borrowing costs includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of profit and loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost. 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 (i.e. qualifying assets) are capitalised as part of the cost of the respective asset. All other borrowing costs are recognised as expense in the period in which they occur.

2.14 Cash and cash equivalents

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Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short - term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.15 Foreign currency translation**(i) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's financial statements are presented in Indian rupee (Rs.) which is also the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. However, for practical reason, the Group uses average rate if the average approximates than actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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.

(iii) Exchange differences

Foreign currency translation differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

Exchange differences arising on settlement of transactions or translation of monetary items are recognised as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which 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 or profit and loss are also recognised in OCI or profit and loss, respectively). Foreign exchange differences arising on foreign currency borrowings to the extent regarded as borrowing cost are presented in the statement of profit and loss, within finance costs.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis. In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a nonmonetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

(iv) Group companies

On consolidation, the results and financial position of foreign operations that have a functional currency different from the presentation currency (Rs.) are translated to the presentation currency (Rs.) in the following manner:

- a) Assets and liabilities are translated at the rate of exchange prevailing at the reporting date

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- b) Their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions
- c) All resulting exchange differences arising on translation of financial statement of foreign operations for consolidation are recognised in other comprehensive income.
- d) On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.
- e) Any Goodwill arising on the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.
- f) Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

2.16 Provisions and contingent liabilities**Provisions**

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of 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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pretax 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.

Warranty provisions

Provision for warranty-related costs are recognised when the product is sold or service is provided to customer. Initial recognition is based on historical experience. the Group periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to five years.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. the Group does not recognise a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

2.17 Fair value measurement

The Group measures financial instruments 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 ordinary 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 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 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.

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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:

Level 1- Quoted(unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.18 Service concession arrangements

Service Concession arrangements are based on the nature of consideration and arising from the power generation business.

Revenue

The Group recognises revenue when services are provided to the customer at transaction price that reflects the consideration to which the Group expects to receive in exchange for those services. Revenue from power generation business is accounted on the basis of billings to the power off takers and includes unbilled revenue accrued up to the end of accounting year. Power off takers are billed as per tariff rate, agreed in purchase power agreement. Operating or service revenue is recognised in the period in which services are rendered by the Group.

Intangible assets

The Group recognises an intangible asset arising from a service concession arrangement when it has right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction services in service concession arrangement is measured at cost, less accumulated amortisation, and accumulated impairment losses, if any. Internal technical team or user assess the useful lives of intangible asset. Management believes that assigned useful lives of 25 years of service concession arrangement projects are reasonable.

Determination of fair value

The fair value of intangible assets is determined by contract price paid for construction of service concession arrangement.

2.19 Segment reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). Revenues, expenses, assets and liabilities, which are

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common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as “unallocated revenues/ expenses/assets/liabilities”, as the case may be.

2.20 Key accounting judgments, estimates and assumptions

The preparation of the consolidated financial information requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

a) Group as a lessee

The Group determines the lease term as the noncancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

b) Group as a lessor

The Group has entered into commercial property leases on its investment property. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

c) Defined benefit plans

The cost of defined benefit plans and leave encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases.

Due to the complexity of the valuation, the underlying assumptions 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. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in notes to the financial statement.

d) Impairment of financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e) Impairment of non-financial assets

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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 assets recoverable amount is the higher of an asset's CGU's fair value less cost of disposal and its value in use.

Where 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 estimated based on past trend and 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 taken into account. If no such transactions can be identified, an appropriate valuation model is used.

f) Provision for warranty

Provisions for warranties is measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Warranty provisions is determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is very unlikely that actual warranty claims will exactly match the historical warrant percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

g) Property, plant and equipment, investment properties and intangible assets

Property, Plant and Equipment, investment property, and intangible assets represent significant portion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Group's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The Group uses its technical expertise along with historical and industry trends for determining the economic useful life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised amount is charged over the remaining useful life of the assets.

2.21 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As on the date of release of Restated Financial Information, MCA has notified an amendment to Ind AS 21 regarding lack of exchangeability between currencies, which is applicable for reporting period beginning on or after April 01,2025. Such amendment to existing standard has not been adopted early by the Group.

New and amended standards notified by MCA

Amendments to Ind AS 116 - The amendment to Ind AS 116 addresses the measurement of lease liabilities in sale and leaseback transactions, ensuring that seller-lessees do not recognize any gain or loss related to the retained right-of-use asset.

Ind AS 117 - Ind AS 117 shall be applicable to entities having (a) insurance contracts, including reinsurance contracts, it issues; (b) reinsurance contracts it holds; and (c) investment contracts with discretionary participation features it issues, provided the entity also issues insurance contracts.

MCA has also notified the Companies (Indian Accounting Standards) Third Amendment Rules, 2024, to provide relief to the insurers or insurance companies. Additionally, Ind AS 104 has been reissued for use by the insurers or insurance companies.

The above new and amended standards had no material impact on the group restated financial information.

OTHER FINANCIAL INFORMATION

Accounting ratios derived from the Restated Consolidated Financial Information

The accounting ratios derived from Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below. The table below should be read in conjunction with the sections titled 'Risk Factors', 'Financial Information' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations', on pages 36, 361, and 467, respectively:

(amounts in ₹ million)

Particulars	As at and for		
	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Earnings per share (basic) ¹ (in ₹)	16.30	14.63	0.95
Earnings per share (diluted) ² (in ₹)	16.30	14.63	0.95
Return on net worth ³ (%)	22.87%	40.67%	4.49%
Net asset value per Equity Share (in ₹) ⁴	71.24	35.97	21.22
EBITDA ⁵ (in ₹ million)	5,051.28	4,237.45	397.48

Notes:

- ^{1.} Basic EPS (₹) is calculated as profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year divided by the weighted average no. of equity shares of face value ₹ 2 each. The weighted average number of Equity Shares outstanding during the year is adjusted for the bonus issue of Equity Shares.
- ^{2.} Diluted EPS (₹) is calculated as profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year divided by the weighted average no. of equity shares of face value ₹ 2 each. The weighted average number of Equity Shares outstanding during the year is adjusted for the bonus issue of Equity Shares.
- ^{3.} Return on net worth is calculated as profit for the period divided by total equity.
- ^{4.} Net asset value per equity share is calculated as net worth as at the end of relevant year divided by the weighted average number of equities shares outstanding at the end of the year.
- ^{5.} EBITDA is calculated as profit for the year plus tax expense, depreciation and amortisation and finance cost less other income for the year.

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company as at and for Fiscal 2025, 2024 and Fiscal 2023 (collectively, the 'Audited Financial Statements') are available on our website at <https://pacedigitek.com/investor-relations>.

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 and reports thereon do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any issue or an issue document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements and reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor the BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Standalone Financial Statements, or the opinions expressed therein.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this section, is set out below:

Reconciliation of Restated Profit for the period/ year to EBITDA and EBITDA Margin

The table below reconciles profit for the period to EBITDA. EBITDA is calculated as profit for the period minus other income plus finance costs, depreciation and amortization expense and total tax expense, while EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(₹ million, unless otherwise stated)

Particulars	As at/ for		
	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Profit for the period (I)	2,791.02	2,298.71	165.33
Other income (II)	234.22	257.77	114.63
Finance costs (III)	1,151.50	1,119.07	120.49
Depreciation and amortisation expense (IV)	60.49	50.92	55.67
Total tax expense (V)	1,048.27	768.75	55.98
Operating EBITDA (VI = I-II+III+IV+V)	4,817.05	3,979.68	282.85
Revenue from operations (VII)	24,387.80	24,344.89	5,031.96
Operating EBITDA Margin (%) (VIII) = (VI/VII)	19.75%	16.35%	5.62%

Reconciliation of total equity to net asset value per equity share

The table below reconciles total equity to net asset value per equity share. Net asset value per equity share is calculated as total equity divided by weighted average number of equity shares.

Particulars	As at and for		
	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Total equity (I) (₹ million)	11,698.95	5,395.77	3,183.07
Outstanding number of equity shares	178,442,280	150,000,000	150,000,000
Weighted average number of equity shares (II)	164,223,556	150,000,000	150,000,000
Net Asset Value per equity share (III) = (I/II) (₹ per share)	71.24	35.97	21.22

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Disclosures' for Fiscal 2025, Fiscal 2024 and Fiscal 2023 read with the SEBI ICDR Regulations, and as reported in the Restated Consolidated Financial Information, see 'Restated Consolidated Financial Information – Note 44 – Related party Disclosures' on page 408.

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of its business for the purposes of working capital and other business requirements. For details of the borrowing powers of our Board, see ‘*Our Management – Borrowing Powers of Board*’ on page 333.

Our Company has obtained the necessary consents required under the loan agreements entered into in connection with and for undertaking activities in relation to the Issue, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

The following table sets forth the details of our aggregate outstanding borrowings as on July 31, 2025:

(in ₹ million)

Category of borrowing	Sanctioned amount as on July 31, 2025	Outstanding amount as on July 31, 2025
<i>Fund Based Borrowings</i>		
(A) Secured		
From Banks	1,387.70	1,112.24
From Others	331.76	213.47
Total secured borrowings	1,719.46	1,325.70
(B) Unsecured		
From Others	-	-
Total unsecured borrowings	-	-
Total Fund Based borrowings (A+B)	1,719.46	1,325.70
<i>Non-Fund based borrowings</i>		
From Banks	1,1521.40	4,726.23
From Others	340.00	2,148.25
Total Non Fund Based borrowings	11,861.40	6,874.48
Total Non-Fund Based borrowings (C)	11,861.40	6,874.48
Total borrowings (D=A+B+C)	13,580.86	8,200.18

As certified by M/s MRKS and Associates, Chartered Accountant, pursuant to a certificate dated September 19, 2025.

Principal terms of the financial arrangements entered into by our Company are disclosed below:

1. **Penal Interest:** The terms of certain facilities availed by our Company prescribe penalties for default in the repayment obligations of the Company, delay in creation of the stipulated security or in case of events of default. The penal interest can be up to 24% per annum. Additionally, for GECL Loan, penal interest of 2% on the outstanding liability shall be collected if the Audited financial statement is not submitted before October 31, October of every year or within a fortnight from the date of Audit of financial accounts of the Company whichever is earlier.
2. **Pre-payment:** The terms of facilities availed by us typically have prepayment provisions which allow for prepayment of the outstanding loan amount, subject to such prepayment penalties as laid down in the facility agreements
3. **Events of Default:** The financing arrangements entered into by our Company contain standard events of default, including:
 - i. material adverse change in the ownership/ control or management of our Company without prior approval of the lender;
 - ii. failure to pay outstanding principal and interest amounts on due dates;

- iii. winding up, insolvency/ bankruptcy or dissolution;
- iv. commencement of or existence of any legal proceedings/ investigations that may have a material adverse change/ effect;
- v. failure to procure or maintain insurance on assets;
- vi. cessation or change in business.

The details above are indicative and there are additional terms that may amount to an event of default under the financing arrangements entered into by our Company. We are required to ensure that the aforementioned events of default and other events of default, as specified under the agreements relating to the financing arrangements entered into by our Company, are not triggered.

4. ***Consequences of Events of Default:*** The financing arrangements entered into by our Company set out the consequences of occurrence of events of default, including:
 - i. Bank may levy additional interest/default.
 - ii. Costs and expenses to cover a comprehensive insurance over the assets issued as security to be borne by the Company.
5. Interest payable by the Company if the security is not created in the bank's favour within the sanctioned timeline.
6. ***Restrictive Covenants:*** Certain financing arrangements entered into by us contain restrictive covenants. An indicative list of such restrictive covenants is disclosed below. Our Company shall not without the prior approval of the lenders:
 - i. Make any further borrowings or create a fresh charge on the assets of the Company.
 - ii. Change the equity, management and operating structure of the Company.
 - iii. Declare any dividends.
 - iv. Issue guarantees of any kind.

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific financing arrangements entered into by our Company.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at March 31, 2025 on the basis of our Restated Consolidated Financial Information, and as adjusted for the proposed Issue. This table should be read in conjunction with ‘Risk Factors’, ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’, ‘Restated Consolidated Financial Information’ on pages 36, 467 and 361, respectively.

(in ₹ million, except ratios)

Particulars	Pre-Issue as at March 31, 2025	As adjusted for the issue ⁽¹⁾
Total equity		
Equity share capital*	356.88	[●]
Other equity*	11,342.07	[●]
Total Equity (A)	11,698.95	[●]
Total borrowings		
Current borrowings*	1,159.10	[●]
Non-current borrowings (including current maturity and interest accrued and due on borrowings) *	447.89	[●]
Total Borrowings (B)	1,606.99	[●]
Total (A+B)	13,305.94	[●]
Non-current borrowings (including current maturity and interest accrued and due on borrowings)/Total Equity ratio	0.04	[●]
Total borrowings/ Total equity ratio	0.14	[●]

Notes:

* These terms shall carry the meaning as per Schedule III of the Companies Act 2013 (as amended). Equity Share Capital and Other equity does not include Share application money pending allotment.

⁽¹⁾ The corresponding post Issue capitalization data in the above table is not determinable at this stage pending the completion of the book building process for the Issue and hence, the same have not been provided in this statement.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey our management's perspective on our financial condition and results of our operations. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year or a Fiscal are to the twelve months ended March 31 of that year.

You should read the following discussion in conjunction with the Restated Consolidated Financial Information for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 including the related notes, schedules, and annexures.

The Restated Consolidated Financial Information included in this Red Herring Prospectus are prepared and presented in accordance with requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on 'Reports in Company Prospectuses (Revised 2019)' issued by the ICAI, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods. This discussion may include certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors or contingencies, including those described below and elsewhere in, this Red Herring Prospectus. For further information, see 'Forward-Looking Statements' on page 35. Also read 'Risk Factors' and 'Restated Consolidated Financial Information' on pages 36 and 361, respectively, for a discussion of certain factors or contingencies that may affect our business, financial condition or results of operations.

Unless otherwise indicated, industry and market data used in this section has been derived from the 'Assessment of telecom tower, optical fibre EPC, solar energy and rural electrification markets in India' dated December 2024 as amended pursuant to an addendum to the report dated September 1, 2025 by CRISIL Limited (**CRISIL Report**) which has been commissioned and paid for by our Company in connection with the Issue. A copy of the CRISIL Report is available at <https://www.pacedigitek.com/pdf/DRHP-Documents/Industry-Report.pdf>. CRISIL is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or the BRLM. The data included from the CRISIL Report may have been re-ordered by us for the purposes of presentation. For further information, see 'Risk Factor - This Red Herring Prospectus contains information from an industry report prepared by CRISIL which we have commissioned and paid for.' on page 76. Also see 'Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation' on page 32.

PRINCIPAL FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our results of operations have been, and will be, affected by many factors, some of which are beyond our control. The following is a discussion of certain factors that have had, and will continue to have, a significant effect on our financial condition and results of operations:

Ability to retain our existing customers and broadening our customer base

We derive a significant portion of our revenue from operations from select clients. The table below sets out the contribution of our top 3, 5 and 10 customers to our revenue from operations in Fiscal 2025, Fiscal 2024 and Fiscal 2023 based on our Restated Consolidated Financial Information:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Top 3 customers	21,697.60	88.97%	22,482.33	92.35%	3,512.47	69.80%
Top 5 customers	22,917.76	93.97%	23,404.12	96.14%	3,984.20	79.18%
Top 10 customers	23,473.90	96.25%	24,211.95	99.45%	4,637.27	92.16%

As can be noticed above, the revenues generated by us from our top 3, 5 and 10 customers comprise a vast majority of our revenue from operations. Further, our top 3, top 5 and top 10 customers in Fiscal 2025, Fiscal 2024 and Fiscal 2023 have been with the Company for an average duration as set out below:

Particulars	Customers	Average duration
Fiscal 2025	Top 3 Customer	5 years 9 months
	Top 5 Customer	4 years 2 months
	Top 10 Customer	4 years 1 months
Fiscal 2024	Top 3 Customer	5 years 1 months
	Top 5 Customer	3 years 3 months
	Top 10 Customer	4 years 6 months
Fiscal 2023	Top 3 Customer	3 years 2 months
	Top 5 Customer	2 years 5 months
	Top 10 Customer	3 years 3 months

Therefore, our ability to retain, and to continue to grow our association with, these customers is, and will, for the foreseeable time to come, be a key aspect affecting our business and results of operations. Further, we are focusing on broadening our customer base to reduce our reliance on existing customers and our continued growth will also to be dependent on our ability to successfully on-board new customers and increase our wallet share from such customers.

Diversifying our revenues from diversified business verticals

We are an experienced, multi-disciplinary solution provider with a significant focus on the telecom infrastructure industry. Consequently, a vast majority of our revenue from operations has been derived from the telecom infrastructure industry. Set out in the table below are details of our revenue from operations, from our Restated Consolidated Financial Information, from the telecom infrastructure industry in Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Telecom	22,978.56	94.20	23,225.21	95.40	4,122.25	81.92

We have, though, over the years sought to diversify our business. While we entered the energy sector for Telecom Infra in Fiscal 2013, we have, recently, augmented our focus on of the energy sector particularly in sustainable energy, which is reflected in our order book. Set out below are details of our order book from the energy sector as on March 31, 2025, March 31, 2024 and March 31, 2023, based on our Restated Consolidated Financial Information.

(in ₹ million except % data)

Particulars		As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Energy	BESS	24,700.00	-	-
	Solar	14,024.35	100.00	86.00
	Rural Electrification	1,911.80	3,193.00	3,400.00
Energy order book		40,636.15	3,293.00	3,486.00
Total Order Book		76,336.17	63,413.00	91,526.00
Energy order book as a % of total order book		53.23%	5.19%	3.81%

We have also recently commenced manufacturing BESS, through Lineage. According to CRISIL, lithium ion batteries have unique advantages such as high specific energy and high load capabilities with power cell and also provide the highest round-trip efficiency (*round-trip efficiency, measured as a percentage, is a ratio of the energy discharged from the battery to the energy put into the battery*) of 88-90%. As part of our products offerings, we intend to manufacture and offer battery energy storage system which will comprise liquid cooled containerized battery systems with 12 racks and PCS along with the BMS and EMS. We intend to manufacture our BESS products in compliance with global standards and we have already obtained UL 1973 (safety standards), UL 1642

(specific standard for lithium-ion batteries) and UL 9540A (fire safety standard), IEC62619:2022 certification. We, through Lineage, have recently commenced operations at our manufacturing facility at 73-P, Bidadi Industrial Area, 2nd Phase, Sector-2, Bidadi, Karnataka which is being used for manufacturing BESS. According to CRISIL, as per the National Energy Policy 2023 (NEP 2023), capacity of 8,640 MW or 34,720 MWh is estimated to be added between 2022 and 2027 in the BESS segment. The highest capacity addition is expected in solar energy at ~38,890 MW. The overall capacity addition is expected to be further augmented between 2027 and 2032, during which 38,564 MW or 201,500 MWh is estimated to be added in the BESS segment. We also intend to provide sustainable BESS products in line with the Government of India's drive towards enhancing renewable energy capacity. We believe that our continued growth will be dependent on our ability to continue the trajectory of the growth in our revenues from the energy sector while augmenting the business and revenue generated from the ICT sector.

Our ability to augment the capacity utilisation of our passive equipment manufacturing facilities

We, through Lineage, have set up 2 manufacturing facilities in Bengaluru, Karnataka, one manufacturing facility located at Plot No. 27A, 1st Phase, Industrial Estate Mysore Road, Kumbalgodu, Bengaluru-560074, Karnataka for manufacturing Telecom Infra equipments (**Manufacturing Facility 1**) and the other for manufacturing facility located at Plot No. 30 A-1, 1st Phase, Industrial Estate, Mysore Road, Kumbalgodu, Bengaluru, Karnataka-560074 for manufacturing lithium ion battery systems (**Manufacturing Facility 2**). Set out below are brief details of our 2 manufacturing facilities including the installed capacity and capacity utilization:

Particulars as on and for the Fiscal	Capacity details	Manufacturing Facility (Passive equipment)*
March 31, 2025	Installed capacity (in Nos.)	10,944.00
	Actual production (in Nos.)	4,234.00
	Capacity utilisation (%)	38.69%
March 31, 2024	Installed capacity (in Nos.)	10,944.00
	Actual production (in Nos.)	6,126.00
	Capacity utilisation (%)	55.98%
March 31, 2023	Installed capacity (in Nos.)	10,944.00
	Actual production (in Nos.)	7,109.00
	Capacity utilisation (%)	64.96%

*Manufacturing capacity towards assembling of transformers, cabinets, resisters, electronic capacitors, diodes & other electronic components, and cables.

Particulars as on and for the Fiscal	Capacity details	Manufacturing Facility (Battery)
March 31, 2025	Installed capacity (in Nos.)	21,590.00
	Actual production (in Nos.)	3,308.00
	Capacity utilisation (%)	15.32%
March 31, 2024*	Installed capacity (in Nos.)	21,590.00
	Actual production (in Nos.)	6,026.00
	Capacity utilisation (%)	27.91%
March 31, 2023	Installed capacity (in Nos.)	Nil
	Actual production (in Nos.)	Nil
	Capacity utilisation (%)	Nil

*We commenced manufacturing lithium ion battery systems from August 2023

Accordingly, our average capacity utilisation of our passive infrastructure manufacturing facility across the financial periods mentioned above, was 46.50%. According to CRISIL, between Fiscals 2020-2024, passive telecom infrastructure market size in India is estimated at ₹ 1,650-1,700 billion (cumulative) and is projected to increase moving forward to ~₹ 2,000-2,100 billion between Fiscal 2023-2028. Further, according to CRISIL, a steady increase in tower additions owing to a surge in data and voice usage, 2G/3G to 4G migrations, 4G network

expansion by BSNL and 5G rollout plans by the other private players are estimated to aid the telecom tower industry going forward. Our ability to benefit from the expected growth in the passive telecom infrastructure market will depend on our ability to augment our capacity utilisation.

Our business is substantially dependent on contracts undertaken by various government entities such as telecom companies in public sector and state owned optical fiber corporations, and state owned distribution companies (**Public Sector Customers**). Our diversified order book ensures reflects our demonstrable ability to cater to diverse business verticals and the strength of individual business verticals. While our telecom business vertical has traditionally been our largest source of revenue, the other business verticals are witnessing significant growth. Set out below is our revenue from Public Sector Customers and non-Public Sector Customers:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Public Sector Customers	23,454.19	96.00%	22,416.31	92.08%	1,717.83	34.14%
Non-Public Sector Customers	933.62	4.00%	1,928.58	7.92%	3,314.13	65.86%
Total	24,387.80	100.00%	24,344.89	100.00%	5,031.96	100.00%

Further, our order book is diverse not just across business verticals but across customers as well as depicted in the table below:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Public Sector Customers	74,636.17	97.77%	61,846.00	97.53%	90,856.00	99.27%
Non-Public Sector Customers	1700.00	2.23%	1,567.01	2.47%	670.00	0.73%
Total	76,336.17	100.00%	63,413.00	100.00%	91,526.00	100.00%

MATERIAL ACCOUNTING POLICIES

For details of our material accounting policies, see ‘*Restated Consolidated Financial Information – Note 2 – Statement of compliance and basis of preparation of Consolidated Financial Statements*’ on page 441.

NON-GAAP MEASURES

EBITDA, CAGR of EBITDA, EBITDA margin, return on equity, return on capital employed, profit after tax margin, and inventory turnover ratio

In addition to our results determined in accordance with Ind AS, we believe the following Non-GAAP measures are useful to investors in evaluating our operating performance and liquidity. We use the following Non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that Non-GAAP financial information, when taken collectively with financial measures disclosed in the financial statements prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these Non-GAAP measures in isolation or as an alternative to financial measures.

EBITDA, CAGR of EBITDA, EBITDA margin, return on equity, return on capital employed, profit after tax margin, and inventory turnover ratio (**Non-GAAP Measures**) presented in this Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing

activities derived in accordance with Ind AS, IFRS or US GAAP. In addition, Non-GAAP Measures are not standardised terms, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although Non-GAAP Measures is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See 'Risk Factors - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, CAGR of EBITDA, EBITDA margin, return on equity, return on capital employed, profit after tax margin, and inventory turnover ratio have been included in this Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable' on page 76.

Reconciliation of profit / loss after tax to EBITDA, EBITDA Margin and PAT Margin

(in ₹ million, unless stated otherwise)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from operations (A)	24,387.80	24,344.89	5,031.96
Profit after tax (PAT) (I)	2,791.02	2,298.71	165.33
Finance costs (II)	1,151.50	1,119.07	120.49
Depreciation and amortization expense (III)	60.49	50.92	55.67
Tax Expense (IV)	1,048.27	768.75	55.98
EBITDA (I+II+III+IV) (B)	5,051.28	4,237.45	397.48
EBITDA Margin (%) (B/A*100)	20.71%	17.41%	7.90%
PAT Margin (%) (I/A*100)	11.44%	9.44%	3.29%

Reconciliation of profit / loss after tax to return on equity

(in ₹ million, unless stated otherwise)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Profit after tax (PAT) (A)	2,791.02	2,298.71	165.33
Equity Share capital (I)	356.88	50.00	50.00
Other Equity (II)	11,342.07	5,345.77	3,133.07
Net Worth / Shareholders equity (B = I+II)	11,698.95	5,395.77	3,183.07
Non-controlling interest (C)	391.07	276.20	168.47
Total Equity (D = B+C)	12,090.02	5,671.97	3,351.54
Return on Equity (%) (A/D*100)	23.09%	40.53%	4.93%

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Total Income

Total income comprises (i) revenue from operations; and (ii) other income.

Revenue from operations

Our revenue from operations comprises revenue from (i) sale of products (ii) sale of engineering, procurement and construction (EPC), (iii) sale of services and (iv) other operating revenue which comprises sale of scrap.

Other income

Our other income comprises (i) interest income from financial assets carried out at amortised cost, (ii) other non-operating income and (iii) other gain/(losses).

Total Expenses

Our total expenses comprise (i) cost of materials consumed; (ii) EPC project expense; (iii) purchase of stock-in-trade; (iv) changes in inventories; (v) employee benefits expenses; (vi) finance costs; (vii) depreciation and amortisation expenses; and (viii) other expenses.

Cost of materials consumed

Cost of materials consumed is the difference between amounts of (i) opening stock and purchase during the year; and (ii) the closing stock, of raw materials. The primary raw materials consumed include 40 and 20 meter towers, battery and battery cabinets, solar panels, charge controller units, solar structure and electrical items such as cable kits, aviation lamp.

EPC project expenses

EPC project expenses comprise (i) service expenses, (ii) construction project expenses, (iii) sub contract cost, and (iv) other erection, construction and operating expenses.

Purchase of stock-in-trade

Purchase of stock-in-trade comprises purchase of traded finished goods such as optical fibre cables, routers and solar cells.

Changes in inventories

Changes in inventories is the difference between the opening cost of inventories and closing stock of inventories and reflects the change in our inventories from the beginning of the year / period to the end of the year / period.

Employee benefits expense

Employee benefits expense comprises salaries, wages and bonus, contributions to provident fund and other funds, gratuity expenses and staff welfare expenses.

Finance costs

Finance costs comprise interest expense on borrowings, interest on lease liabilities, unwinding of deposit discount on security deposit received, and other borrowing costs consisting primarily of guarantee charges and other financial charges.

Depreciation and amortisation expense

Depreciation and amortisation expenses comprises depreciation on tangible assets (property, plant and equipment), depreciation on investment property, depreciation on right-to-use assets, and amortisation on intangible assets.

Other expenses

Other expenses comprise primarily (i) rent expenses, (ii) warranty charges, (iii) traveling, accommodation and conveyance expenses, (iv) freight outward expense, and (v) legal and professional expenses.

Tax expenses

Tax expense comprises current tax, deferred tax, and taxes in relating to earlier years.

OUR RESULTS OF OPERATIONS

Set out below are select financial data from our restated profit and loss statement for Fiscal 2025, Fiscal 2024 and Fiscal 2023, the components of which are also expressed as a percentage of total income:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)
INCOME						
Revenue from operations	24,387.80	99.05	24,344.89	98.95	5,031.96	97.77
Other income	234.22	0.95	257.77	1.05	114.63	2.23
Total Income	24,622.02	100.00%	24,602.66	100.00	5,146.59	100.00
EXPENSES						
Cost of materials consumed	7,180.57	29.16	15,589.50	63.37	962.48	18.70

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)
Engineering, procurement and construction project expenses	9,156.38	37.19	3,613.40	14.69	1,755.37	34.11
Purchase of stock-in-trade	47.15	0.19	391.77	1.59	921.42	17.90
Changes in inventories	850.97	3.46	(809.91)	(3.29)	(30.25)	(0.59)
Employee benefits expense	667.13	2.71	531.85	2.16	750.26	14.58
Finance costs	1,151.50	4.68	1,119.07	4.55	120.49	2.34
Depreciation and amortization expense	60.49	0.25	50.92	0.21	55.67	1.08
Other expenses	1,668.54	6.78	1,048.60	4.26	389.84	7.57
Total Expenses	20,782.73	84.41	21,535.20	87.53	4,925.28	95.70
Profit / (loss) before tax	3,839.29	15.59	3,067.46	12.47	221.31	4.30
Tax expense						
- Current tax	1,146.33	4.66	781.09	3.17	67.97	1.32
- Deferred tax (credit)/charge	(171.54)	(0.07)	0.07	0.00	(12.92)	(0.25)
- Taxes relating to earlier years	73.48	0.30	(12.41)	(0.05)	0.93	0.02
Total tax expenses	1,048.27	4.26	768.75	3.12	55.98	1.09
Profit/(Loss) after tax	2,791.02	11.34	2,298.71	9.34	165.33	3.21
Other Comprehensive Income						
- Items that will not be Reclassified to Profit or Loss						
- Remeasurements of net defined benefit plans gai/(loss)	0.19	0.00	29.03	0.12	5.45	0.11
- Income tax relating to these items	(0.05)	0.00	(7.31)	(0.03)	(1.56)	(0.03)
- Items that will be reclassified to Profit or Loss						
- Exchange differences on translation of foreign operations	0.53	0.00	0.00	0.00	(1.26)	(0.02)
Total Other Comprehensive Income for the year, net of tax	0.67	0.00	21.72	0.09	2.63	0.05
Total Comprehensive Income for the year	2,791.69	11.34	2,320.43	9.43	167.96	3.26

Set out below is a break-up of our revenues from product, services and projects, based on our Restated Consolidated Financial Information.

(in ₹ million)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Products*	294.64	1.21%	866.03	3.56%	1,241.28	24.67%
Projects	23,762.18	97.43%	22,649.86	93.04%	1,588.30	31.56%
Services**	330.85	1.36%	814.34	3.35%	2,195.77	43.64%
Scrap	0.13	0.00%	14.66	0.06%	6.61	0.13%
Total	24,387.80	100.00%	24,344.89	100.00%	5,031.96	100.00%

* Excludes inter-company transactions between by our Company and Lineage which have been eliminated due to consolidation aggregating ₹ 4,632.14 million, ₹ 7,242.64 million and ₹ 6.10 million during Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Also see, 'Management's Discussion and Analysis of Financial Condition and Results of Operations -Fiscal 2024 compared to Fiscal 2023 - Reasons for substantial increase in revenue from operations, expenses and profits in Fiscal 2024 as compared to Fiscal 2023' on page 474.

**Excludes inter-company transactions between our Company and Lineage which have been eliminated due to consolidation aggregating ₹ nil, ₹ 104.70 million and ₹ 125.39 million during, Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

FISCAL 2025 COMPARED TO 2024

Income

Total Income

Our total income marginally increased by 0.08% from ₹ 24,602.66 million in Fiscal 2024 to ₹ 24,622.02 million in Fiscal 2025, primarily due to an increase in our revenue from operations as discussed below.

Revenue from operations

Our revenue from operations marginally increased by 0.18% from ₹ 24,344.89 million in Fiscal 2024 to ₹ 24,387.80 million in Fiscal 2025. The aforementioned increase was on account of an increase in sale-EPC from ₹ 22,649.86 million in Fiscal 2024 to ₹ 23,762.18 million Fiscal 2025. This increase was partially offset by a decrease in (i) sale of products from ₹ 866.03 million in Fiscal 2024 to ₹ 294.64 million in Fiscal 2025; (ii) sale of services from ₹ 814.34 million in Fiscal 2024 to ₹ 330.85 million in Fiscal 2025; and (iii) sale of scrap from ₹ 14.66 million in Fiscal 2024 to ₹ 0.13 million in Fiscal 2025.

Other income

Our other income decreased by 9.14% from ₹ 257.77 million in Fiscal 2024 to ₹ 234.22 million in Fiscal 2025, primarily due to a marginal decrease in interest income from fixed deposits from ₹ 188.85 million in Fiscal 2024 to ₹ 180.39 million in Fiscal 2025 due to an decrease in the bank deposits with remaining maturity for more than 3 months but less than 12 months having decreased from ₹ 3,986.89 million as at March 31, 2024 to ₹ 1,380.49 million as at March 31, 2025, and decrease in interest income on corporate guarantees from ₹ 39.92 million in Fiscal 2024 to nil in Fiscal 2025, which was partially offset by a reversal of expected credit loss of ₹ 25.38 million in Fiscal 2025.

Expense

Total Expense

Our total expenses decreased by 3.49% from ₹ 21,535.20 million in Fiscal 2024 to ₹ 20,782.73 million in Fiscal 2025, due to the factors discussed below.

Cost materials consumed

Our cost of material consumed decreased by 53.94% from ₹ 15,589.50 million in Fiscal 2024 to ₹ 7,180.57 million in Fiscal 2025. In March 2023, we were awarded an order for setting up a 4G saturation project by a public sector telecom company (**4G Saturation Project**). Our scope of work under the 4G Saturation Project includes supply and erection of ground based telecom towers, infrastructure as a service provider for supply, installation of infrastructure equipments and subsequent operation and maintenance for 5 years which can be extend for an additional period of 5 years, at 9,595 sites in villages in India. The value of the 4G Saturation Project is ₹ 75,682.80 million. The 4G Saturation Project was commenced during Fiscal 2024 and as per the project milestones, the majority of the work was undertaken by us during Fiscal 2024. During Fiscal 2024 the majority of our revenue from operations from 4G Saturation Project was linked to supply of equipments and consequently our cost of

material consumed in Fiscal 2024 was higher as compared to Fiscal 2025. During Fiscal 2025, the majority of our revenue from 4G Saturation Project was based on services provided and not linked to supply of products, which consequently reduced our cost of materials consumed as compared to Fiscal 2024.

EPC project expenses

EPC project expenses increased by 153.40% from ₹ 3,613.40 million in Fiscal 2024 to ₹ 9,156.38 million in Fiscal 2025. During Fiscal 2024 the majority of our revenue from operations from 4G Saturation Project was linked to supply of equipments and consequently our EPC project expenses in Fiscal 2024 were lower as compared to Fiscal 2025. During Fiscal 2025, the majority of our revenue from 4G Saturation Project was based on services provided and not linked to supply of products, which consequently reduced our EPC project expenses in Fiscal 2024 were higher as compared to Fiscal 2025.

Purchases of stock-in-trade

Our purchases of stock-in-trade decreased by 87.96 % from ₹ 391.77 million in Fiscal 2024 to ₹ 47.15 million in Fiscal 2025. During Fiscal 2024 the majority of our revenue from operations from 4G Saturation Project was linked to supply of equipments and consequently our purchase of stock in trade in Fiscal 2024 was higher as compared to Fiscal 2025. During Fiscal 2025, the majority of our revenue from 4G Saturation Project was based on services provided and not linked to supply of products, which consequently reduced our purchase of stock in trade as compared to Fiscal 2024.

Changes in inventories

The total change in inventory moved from ₹ (809.91) million in Fiscal 2024 to ₹ 850.97 million in Fiscal 2025 due to completion of substantial portion of supply of equipment work for 4G Saturation Project in Fiscal 2024, which led to reduction in closing inventory in Fiscal 2025 and significant movement of inventory cost in Fiscal 2025.

Employee benefits expense

Our employee benefits expense increased by 25.44% from ₹ 531.85 million in Fiscal 2024 to ₹ 667.13 million in Fiscal 2025 primarily due to an increase in salaries, wages and bonus from ₹ 486.26 million in Fiscal 2024 to ₹ 606.20 million in Fiscal 2025 on account of increase in our number of employees from 903 employees as at March 31, 2024 to 1,102 employees as at March 31, 2025.

Finance Costs

Our finance costs marginally increased by 2.90% from ₹ 1,119.07 million in Fiscal 2024 to ₹ 1,151.50 million in Fiscal 2025 primarily due to an increase in interest expense on borrowings from ₹ 755.88 million in Fiscal 2024 to ₹ 1,021.30 million in Fiscal 2025, as partially offset by decrease on other borrowing costs (primarily includes guarantee charges and other financial charges) from ₹ 361.38 million in Fiscal 2024 to ₹ 127.88 million in Fiscal 2025.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 18.79% from ₹ 50.92 million in Fiscal 2024 to ₹ 60.49 million in Fiscal 2025 primarily due to a increase in depreciation on property, plant and equipment (PP&E) from ₹ 33.70 million in Fiscal 2024 to ₹ 39.78 million in Fiscal 2025.

Other expenses

Our expenses increased by 59.12% from ₹ 1,048.60 million in Fiscal 2024 to ₹ 1,668.54 million in Fiscal 2025 primarily due to increase in (i) rent expenses from ₹ 122.33 million in Fiscal 2024 to ₹ 252.30 million in Fiscal 2025, (ii) balances written off from nil in Fiscal 2024 to ₹ 119.76 million in Fiscal 2025, (iii) insurance expenses from ₹ 23.66 million in Fiscal 2024 to ₹ 47.42 million in Fiscal 2025, (iv) rates and taxes from ₹ 9.13 million in Fiscal 2024 to ₹ 52.59 million in Fiscal 2025, (v) travelling and conveyance expenses from ₹ 81.09 million in Fiscal 2024 to ₹ 165.60 million in Fiscal 2025, (vi) legal and professional expenses from ₹ 53.54 million in Fiscal 2024 to ₹ 213.11 million in Fiscal 2025.

Profit before tax

As a result of the factors outlined above, our profit before tax increased by 25.16% from ₹ 3,067.46 million in Fiscal 2024 to ₹ 3,839.29 million in Fiscal 2025.

Tax expense

Our tax expense increased by 36.36% from ₹ 768.75 million in Fiscal 2024 to ₹ 1,048.27 million in Fiscal 2025 due to an increase in current tax expense from ₹ 781.09 million in Fiscal 2024 to ₹ 1,146.33 million in Fiscal 2025, commensurate with our increase in profit before tax, and increase in taxes related to earlier years from ₹ (12.41) million in Fiscal 2024 to ₹ 73.48 million in Fiscal 2025, which was partially offset by deferred tax credit of ₹ (171.54) million in Fiscal 2025 as compared to deferred tax charge of ₹ 0.07 million in Fiscal 2024.

Profit after tax

As a result of the foregoing, our profit after tax increased by 21.42% from ₹ 2,298.71 million in Fiscal 2024 to ₹ 2,791.02 million in Fiscal 2025.

FISCAL 2024 COMPARED TO FISCAL 2023

Reasons for substantial increase in revenue from operations, expenses and profits in Fiscal 2024 as compared to Fiscal 2023

In March 2023, we were awarded an order for setting up a 4G saturation project by a public sector telecom company (**4G Saturation Project**). Our scope of work under the 4G Saturation Project includes supply and erection of ground based telecom towers, infrastructure as a service provider for supply, installation of infrastructure equipments and subsequent operation and maintenance for 5 years which can be extend for an additional period of 5 years, at 9,595 sites in villages in India. The value of the 4G Saturation Project is ₹ 75,682.80 million. The 4G Saturation Project was commenced during Fiscal 2024 and as per the project milestones, the majority of the work was undertaken by us during Fiscal 2024. Accordingly, pursuant to this 4G Saturation Project, our revenue from operations and profits were comparatively substantially higher as compared to Fiscal 2023.

Income

Total Income

Our total income increased by 378.04% from ₹ 5,146.59 million in Fiscal 2023 to ₹ 24,602.66 million in Fiscal 2024, primarily due to an increase in our revenue from operations as discussed below.

Revenue from operations

Our revenue from operations increased by 383.81% from ₹ 5,031.96 million in Fiscal 2023 to ₹ 24,344.89 million in Fiscal 2024. The aforementioned increase was on account of an increase in sale-EPC from 1,588.30 million in Fiscal 2023 to ₹ 22,649.86 million Fiscal 2024 primarily due to substantial work carried out by us for the 4G Saturation Project. This increase was partially offset by a decrease in (i) sale of products from ₹ 1,241.28 million to ₹ 866.03 million, due to classification of products under EPC towards 4G Saturation Project as compared to sales of these products to third party customers in Fiscal 2023; and (ii) sale of services from ₹ 2,195.77 million to ₹ 814.34 million due to primary concentration on projects execution and not on O&M contracts in Fiscal 2024.

Other income

Our other income increased by 124.86% from ₹ 114.63 million in Fiscal 2023 to ₹ 257.77 million in Fiscal 2024, primarily due to an increase in interest income from fixed deposits from ₹ 36.36 million to ₹ 188.85 million due to an increase in the bank deposits with remaining maturity for more than 3 months but less than 12 months having increased from ₹ 1,140.32 million as at March 31, 2023 to ₹ 3,986.89 million as at March 31, 2024.

Expense

Total Expense

Our total expenses increased by 337.24% from ₹ 4,925.28 million in Fiscal 2023 to ₹ 21,535.20 million in Fiscal 2024, due to the factors discussed below.

Cost materials consumed

Our cost of material consumed increased by 1,519.71% in Fiscal 2023 from ₹ 962.48 million to ₹ 15,589.50 million in Fiscal 2024 commensurate with the increase in our revenue from operations.

EPC project expenses

EPC project expenses increased by 105.85% from ₹ 1,755.37 million in Fiscal 2023 to ₹ 3,613.40 million in Fiscal 2024 commensurate with the increase in our revenue from operations

Purchases of stock-in-trade

Our purchases of stock-in-trade decreased by 57.48% from ₹ 921.42 million in Fiscal 2023 to ₹ 391.77 million in Fiscal 2024, primarily due to the supply of stock in trade during Fiscal 2023 and only supply of balance amount of stock in trade for the ongoing project during Fiscal 2024.

Changes in inventories

The total change in inventory moved from ₹ (30.25) million in Fiscal 2023 to ₹ (809.91) million in Fiscal 2024 which was due to higher inventories at the end of Fiscal 2024 due to increased volume of inventory holding due to increase in revenue from operations from Projects.

Employee benefits expense

Our employee benefits expense decreased by 29.11% from ₹ 750.26 million in Fiscal 2023 to ₹ 531.85 million in Fiscal 2024 primarily due to a decrease in our salaries, wages and bonus from ₹ 672.65 million in Fiscal 2023 to ₹ 486.26 million in Fiscal 2024 on account of reduction in the volume of services or O&M contracts due to change in our strategy to focus on erection of projects, pursuant to which our number of employees decreased from 2,380 employees as at March 31, 2023 to 903 employees as at March 31, 2024.

Finance Costs

Our finance costs increased by 828.73% from ₹ 120.49 million in Fiscal 2023 to ₹ 1,119.07 million in Fiscal 2024 primarily due to an increase in interest expense on borrowings and other borrowing costs, from ₹ 114.04 million and ₹ 4.89 million, respectively in Fiscal 2023 to ₹ 755.88 million and ₹ 361.38 million, respectively, in Fiscal 2024. The aforementioned increase in interest on borrowings was due to increase in borrowings during Fiscal 2024 as compared to Fiscal 2023 while the increase in other borrowing costs was due to increase in vendor financing in Fiscal 2024 as compared to Fiscal 2023.

Depreciation and amortization expense

Our depreciation and amortization expense decreased by 8.54% from ₹ 55.67 million in Fiscal 2023 to ₹ 50.92 million in Fiscal 2024 primarily due to a decrease in depreciation on PP&E from ₹ 38.66 million to ₹ 33.70 million.

Other expenses

Our expenses increased by 168.98% from ₹ 389.84 million in Fiscal 2023 to ₹ 1,048.60 million in Fiscal 2024 primarily due to increase in (i) rent expenses from ₹ 94.93 million in Fiscal 2023 to ₹ 122.33 million in Fiscal 2024, (ii) warranty charges from ₹ nil in Fiscal 2023 to ₹ 273.23 million in Fiscal 2024, The increase was due to an increase in the inhouse products used in the 4G Saturation Project for which warranty cost has been provisioned for the O&M period (iii) freight outward charges from ₹ 12.01 million in Fiscal 2023 to ₹ 76.45 million in Fiscal 2024, (iv) bad debts written off from nil in Fiscal 2023 to ₹ 74.94 million in Fiscal 2024 due to settlement of outstanding amount on long term O&M service contracts and loss allowance is due to the provisioning norms as per Ind AS and (v) loss allowance for trade receivables from ₹ 19.93 million in Fiscal 2023 to ₹ 98.47 million in Fiscal 2024.

Profit before tax

As a result of the factors outlined above, our profit before tax increased by 1,286.02% from ₹ 221.31 million in Fiscal 2023 to ₹ 3,067.46 million in Fiscal 2024.

Tax expense

Our tax expense increased by 1,273.27% from ₹ 55.98 million in Fiscal 2023 to ₹ 768.75 million in Fiscal 2024 primarily due to an increase in current tax expense from ₹ 67.97 million in Fiscal 2023 to ₹ 781.09 million in Fiscal 2024, commensurate with our increase in profit before tax.

Profit after tax

As a result of the foregoing, our profit after tax increased by 1,290.35% from 165.33 million in Fiscal 2023 to ₹ 2,298.71 million in Fiscal 2024.

Liquidity and capital resources

As on March 31, 2025, our Company had a sum of ₹ 783.54 million in cash and cash equivalents (balance in current accounts, and cash on hand).

Historically, our Company has been able to finance the growth of our business through the funds generated primarily from our operations, and loans from banks and financial institutions. Our Company believes that, with the internal accruals, loans and infusion of the Net Proceeds, it will have sufficient capital to meet its anticipated

capital requirements for working capital requirements for the 12 months following the date of this Red Herring Prospectus.

CASH FLOWS

The following table sets forth certain information concerning our cash flows for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(₹ in million)

Particulars	For year ended March 31, 2025	For year ended March 31, 2024	For year ended March 31, 2023
Net cash (used in) / generated from operating activities (A)	(1,758.86)	2,141.24	(437.81)
Net cash (used in) / generated from investing activities (B)	2,438.10	(3,177.77)	(547.61)
Net cash (used in) / generated from financing activities (C)	(853.18)	1,891.35	472.12
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(173.94)	854.82	(513.30)

Net cash (used in) / generated from operating activities

Fiscal 2025

Our net cash flow used in operating activities was ₹ (1,758.86) million in Fiscal 2025. While our profit before tax was ₹ 3,839.29 million, our operating profit before working capital changes stood at ₹ 5,615.89 million after taking into accounts adjustments for *inter alia* finance cost of ₹ 1,150.48 million, interest received on fixed deposits of ₹ 180.39 million and provision for warranty of ₹ 380.70 million. Working capital changes included primarily an increase in (i) trade receivables of ₹ 7,830.03 million and (ii) increase in other financial assets of ₹ 296.04 million, and a decrease in (i) other current assets of ₹ 117.99 million, (ii) inventory of ₹ 1,590.60 million, and (iii) other financial liabilities of ₹ 247.25 million. This was further adjusted by and direct taxes paid (net of refunds) of ₹ 908.37 million.

Fiscal 2024

Our net cash flow generated from operating activities was ₹ 2,141.24 million in Fiscal 2024. While our profit before tax was ₹ 3,067.46 million, our operating profit before working capital changes stood at ₹ 4,478.24 million after taking into account adjustments for *inter alia* finance cost of ₹ 1,118.97 million, provision for warranty of ₹ 273.23 million and interest received on fixed deposits of ₹ (190.59) million. Working capital changes included primarily an increase in (i) trade receivables of ₹ 6,919.94 million, (ii) inventories of ₹ 2,118.59 million, (iii) other current assets of ₹ 981.80 million, and (iv) trade payables of ₹ 7,894.37 million. This was further adjusted by direct taxes paid (net of refunds) of ₹ (215.65) million.

Fiscal 2023

Our net cash flow used in operating activities was ₹ (437.81) million in Fiscal 2023. While our profit before tax was ₹ 221.31 million, our operating profit before working capital changes stood at ₹ 366.43 million after taking into adjustments for *inter alia* depreciation and amortization expense of ₹ 55.67 million and finance cost of ₹ 120.49 million. Working capital changes included primarily an increase in (i) trade receivables of ₹ 611.31 million (ii) other current assets of ₹ 456.99 million, (iii) inventories of ₹ 149.78 million and (iv) other financial liabilities of ₹ 613.95 million and a decrease in trade payables of ₹ 114.30 million. This was further adjusted by direct taxes paid (net of refunds) of ₹ (77.97) million.

Net cash flow (used in) / generated from investing activities

Fiscal 2025

Net cash flow generated from investing activities in Fiscal 2025 was ₹ 2,438.10 million which primarily comprised proceeds from fixed deposits (net) of ₹ 2,606.98 million and interest received on fixed deposits of ₹ 180.39 million, as partially offset by purchase of property, plant and equipment of ₹ 365.60 million.

Fiscal 2024

Net cash flow used in investing activities in Fiscal 2024 was ₹ 3,177.77 million which primarily comprised investment in fixed deposits (net) of ₹ 3,453.09 million and interest received on fixed deposits of ₹ 330.71 million.

Fiscal 2023

Net cash flow used in investing activities in Fiscal 2023 was ₹ 547.61 million which primarily comprised investment in fixed deposits (net) of ₹ 552.62 million and payment towards purchase of PP&E of ₹ 63.80 million which was partially offset by interest received on fixed deposits of ₹ 56.85 million.

Net cash flow (used in) / generated from financing activities

Fiscal 2025

Net cash flow used in financing activities in Fiscal 2025 was ₹ 853.18 million which primarily comprised repayment of long term borrowings of ₹ 482.06 million, repayment of short term borrowings (net) of ₹ 3,060.92 million and finance cost paid of ₹ 1,150.48 million, as partially offset by proceeds from long term borrowings of ₹ 218.10 million and proceeds from issue of equity shares of ₹ 3,626.36 million.

Fiscal 2024

Net cash flow generated from financing activities in Fiscal 2024 was ₹ 1,891.35 million which primarily comprised proceeds from short term borrowings (net) of ₹ 3,562.28 million which was partially offset by repayment of long term borrowings of ₹ 1,184.42 million and finance cost paid of ₹ 486.01 million.

Fiscal 2023

Net cash flow generated from financing activities in Fiscal 2023 was ₹ 472.12 million which primarily comprised proceeds from short term borrowings of ₹ 665.81 million and proceeds from long term borrowings of ₹ 7.80 million which was partially offset by repayment of long term borrowings of ₹ 82.56 million, and finance cost paid of ₹ 118.94 million.

Changes to key financial ratios

There have been changes to our key financial ratios, which we consider while evaluating our financial conditions, as set out below as of March 31, 2025, March 31, 2024 and March 31, 2023:

Sr No.	Ratio	As of and for the Fiscal / period		
		2025	2024	2023
1	EBITDA Margin (%)	20.71%	17.41%	7.90%
2	Growth in PAT %	21.42%	1,290.38%	43.74%
3	PAT Margin (%)	11.44%	9.44%	3.29%
4	Return on Equity (ROE) (%)	23.09%	40.53%	4.93%
5	Current Ratio	1.72	1.25	1.45

The change in these key financial ratios from Fiscal 2023 to Fiscal 2024 was primarily due to significant increase in the revenue from operations of our Company. Our revenue from operations increased by 383.81% from ₹ 5,031.96 million in Fiscal 2023 to ₹ 24,344.89 million in Fiscal 2024 on account of an increase in sale-EPC of from ₹ 1,588.30 million in Fiscal 2023 to ₹ 22,649.86 million in Fiscal 2024 primarily due to substantial work carried out by us for the 4G Saturation Project. For reasons further details, see 'Management's Discussion and Analysis of Financial Condition and Results of Operations - Fiscal 2024 compared to Fiscal 2023' on page 476.

FINANCIAL INDEBTEDNESS

As of July 31, 2025, our total sanctioned borrowings was ₹ 13,580.86 million and our outstanding balance of our fund based borrowings, including secured and unsecured borrowings (long term and short term) was ₹ 1,325.70 million and non-fund based borrowings was ₹ 6,874.48 million, respectively. For further details of our indebtedness, see 'Financial Indebtedness' on page 464.

Trade Payables Ageing Summary (Outstanding for following periods from due date of payment)

As on March 31, 2025

(in ₹ million)							
Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	-	105.14	33.65	0.19	-	-	138.98
Others	3,406.28	3,659.61	2,771.35	131.17	26.84	16.02	10,011.27

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total	3,406.28	3,764.75	2,805.00	131.36	26.84	16.02	10,150.25

As on March 31, 2024

(in ₹ million)

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	-	0.36	-	-	-	-	0.36
Others	624.53	7,302.14	2,015.05	52.04	4.67	22.57	10,021.00
Total	624.53	7,302.50	2,015.05	52.04	4.67	22.57	10,021.36

As on March 31, 2023

(in ₹ million)

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	-	16.51	-	-	-	-	16.51
Others	476.22	1,394.41	195.46	5.56	40.09	16.16	2,127.90
Total	476.22	1,410.92	195.46	5.56	40.09	16.16	2,144.41

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Set out below are the contingent liabilities and capital commitments as on March 31, 2025, March 31, 2024 and March 31, 2023:

(in ₹ million)

Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
a) Guarantees			
Outstanding bank guarantees	5,460.56	7,860.25	864.90
Outstanding letter of credit	801.79	1,692.94	579.87
Total	6,262.35	9,553.19	1,444.77
b) Contingent liabilities			
Direct tax matters	93.76	94.56	55.60
Indirect tax matters	460.84	423.53	154.79
Total	554.60	518.09	210.39

SELECT BALANCE SHEET ITEMS

Current Assets

(in ₹ million)

Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
a. Inventories	1,126.29	2,716.89	598.30
b. Financial Assets			
i. Trade receivables	18,431.18	10,764.41	3,943.05
ii. Cash and cash equivalents	783.54	957.49	102.68
iii. Bank balances other than cash and cash equivalents	1,380.49	3,986.89	1,140.32
iv. Loans and Advances	-	5.02	0.93
v. Other financial assets	74.25	171.70	130.44
c. Other current assets	1,398.62	1,728.58	750.61
Total current assets	23,194.37	20,330.98	6,666.33

Current Liabilities

(in ₹ million)

Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
a. Financial Liabilities			
i. Borrowings	1,365.24	4,681.43	1,543.35
ii. Lease Liabilities	3.92	1.53	-
iii. Trade Payables			
(A) Total outstanding dues of micro enterprise and small enterprise	138.98	0.36	16.51
(B) Total outstanding dues other of micro enterprise and small enterprise	10,011.27	10,021.00	2,127.90
iv. Other Financial Liabilities	606.31	845.82	693.14
b. Other current liabilities	205.78	141.50	180.70
c. Provisions	290.90	33.41	23.11
d. Current tax liabilities (net)	879.23	568.88	9.78
Total current liabilities	13,501.63	16,293.93	4,594.49

Related Party Transactions

Our Company has engaged in the past, and may engage in the future, in transactions with related parties, including with our Subsidiaries, Directors, KMP and Group Companies on an arm's length basis, in compliance with applicable law. Such transactions could be for sale of products and services, rental income, EPC project expenses, remuneration to directors, KMPs, borrowings etc. For further details of our related party transactions, please see '*Restated Consolidated Financial Information – Note 44 - Related Party Disclosures*' on page 408.

Summary of reservations or qualifications or matters of emphasis or adverse remarks of auditors

Our Restated Consolidated Financial Information do not contain any qualifications or reservations.

Change in accounting policies

Other than as disclosed in the Restated Consolidated Financial Information, there have been no changes in accounting policies in the last three Fiscals.

Quantitative and Qualitative Disclosures about Market Risk

Our principal financial liabilities comprise of loans and borrowings, lease liabilities, trade payables, security deposits received etc. Our financial assets include trade receivables, investment and cash and cash equivalents, etc that we derive directly from our operations.

We are exposed to a variety of risks such as market risk, credit risk and liquidity risk. Our senior management oversees the management of these risks. Our Company's Board of Directors is responsible for overall risk management approach and for approving the risk strategies and principles. Our Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Credit risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to us. We are exposed to credit risk from operating activities, primarily trade receivables.

Trade Receivables

Customer credit risk is managed in accordance our established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and due after 0 to 90 days from the date of invoice. The ageing analysis of trade receivables as of the reporting date is as follows:

In the case of EPC business, majority of the sales are made either against advance payments or at a credit period up to 0 to 90 days through tender whereas in most of the sales are made to Government customers it is customary to have prescribed retentions which are payable upon completion of the project and after satisfactory performance of the obligation. In order to contain the business risk especially with respect to long-duration construction and supply contracts, creditworthiness of the customer is assessed through scrutiny of its financials, status of financial closure of the project, if required, market reports and reference checks. We regularly assess the financial position of customers during execution of contracts with a view to restrict risks of delays and default.

Impairment analysis is performed on each reporting period on individual basis for major customers. In addition, a large number of receivables are grouped and assessed for impairment collectively. The calculation of impairment loss is based on historical data of losses, current conditions and forecasts and future economic conditions. The group's maximum exposure to credit risk at the reporting date is the carrying amount of each financial asset.

Set out below are details of our trade receivables that were considered impaired and of expected credit losses as on March 31, 2025, March 31, 2024 and March 31, 2023:

(in ₹ million)

Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023
Trade receivable - credit impaired	202.17	154.80	121.89
Expected credit loss	341.47	365.59	267.11

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. For us, liquidity risk arises from obligations on account of financial liabilities - lease liabilities, trade payables and other financial liabilities.

We continue to maintain adequate amount of liquidity to meet strategic and growth objectives. Our finance department is responsible for liquidity and fund management. In addition, processes and policies related to such risks are overseen by senior management. We monitor our liquidity position through forecasts on the basis of expected cash flows

Market Risk

Market risk is the risk that changes in the market prices such as foreign currency risk, interest risk, equity price and commodity prices. The market risk will affect our income or value of its holding of financial instruments. The objective of the market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the returns.

i. Commodity price risks

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by us. We regularly negotiate/adjust sale prices on the basis of changes in commodity prices.

ii. 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. Our exposure to the risk of changes in exchange rates relates primarily to our operations in foreign subsidiaries.

iii. Interest Rate Risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As on March 31, 2025, March 31, 2024 and March 31, 2023, all of our borrowings were on floating rates of interest.

Maturities of Financial Liabilities

The tables below analyse our Company's financial liabilities into relevant maturity based on their contractual maturities:

As on March 31, 2025

(in ₹ million)

Particulars	Less than 1 year	More than 1 year	Total
Borrowings	1,365.24	241.75	1,606.99
Lease Liabilities	4.72	4.83	9.55
Trade payables	10,150.25	-	10,150.25
Other Financial Liabilities	606.31	1.80	608.11

As on March 31, 2024

(in ₹ million)

Particulars	Less than 1 year	More than 1 year	Total
Borrowings	4,681.43	250.44	4,931.87
Lease Liabilities	2.01	3.52	4.70
Trade payables	10,021.36	0.00	10,021.36
Other Financial Liabilities	845.82	9.59	855.41

As on March 31, 2023

(in ₹ million)

Particulars	Less than 1 year	More than 1 year	Total
Borrowings	1,543.35	377.71	1,921.06
Lease Liabilities	-	-	-
Trade payables	2,144.41	0.00	2,144.41
Other Financial Liabilities	693.14	9.73	702.87

Competitive Conditions

We operate in a competitive environment. For further information, please see 'Risk Factors', 'Industry Overview', 'Our Business - Competition' on pages 36, 183, and 305, respectively.

Seasonality / Cyclicity of business

Our Company's business is not subject to seasonal changes.

Unusual or infrequent events or transaction

Except as set out in this Red Herring Prospectus, there have been, to our knowledge, no unusual or infrequent events or transactions that have in the past, or may in the future, affect our business operations or future financial performance.

Segment Reporting

Our business activity primarily falls within a 3 business segments, i.e., (i) telecom, (ii) energy, and (iii) others consist of various services and projects.

Extent to which material increases in net sales or revenue are due to increased sales volume, and increased sales prices

Except as set out in this chapter above, our net sales or revenue are not dependent on sales volume and sale price.

Total turnover of each major industry segment in which our Company operated

Set out below are details of our revenue of operations across our business verticals during Fiscal 2025, Fiscal 2024 and Fiscal 2023, based on our Restated Consolidated Financial Information.

(in ₹ million)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations	Amount (in ₹ million)	% of revenue from operations
Telecom	22,978.56	94.22%	23,225.21	95.40%	4,122.25	81.92%
Energy	1,363.47	5.59%	891.80	3.66%	179.27	3.56%
ICT/Others*	45.77	0.19%	227.88	0.94%	730.44	14.52%
Total	24,387.80	100.00%	24,344.89	100.00%	5,031.96	100.00%

*Others include business consultation and fibre restoration and painting.

Significant dependence on a single or few suppliers or Customers

We are very heavily reliant on our top 3, top 5 and top 10 customers. For details, please see 'Principal Factors Affecting our Financial Condition and Results of Operations - Ability to retain our existing customers' on page 467 and 'Risk Factors - Our business is significantly reliant on certain key customers, and we derived 96.25%, 99.45% and 92.16% of our revenue from operations during the Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively, from our top 10 customers. Further, our business, results from operations, and financial condition are dependent on maintaining relationship with our customers. Further, our business, results from operations, and financial condition are dependent on maintaining relationship with our customers. Loss of any of these customers or loss of revenue from any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows' on page 36.

Significant economic changes that materially affect or are likely to affect income from continuing operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in this chapter. For further details see *'Risk Factors'* and *'Industry Overview'*, on pages 36 and 183, respectively.

Known Trends or Uncertainties

Our business has been, and we expect will continue to be, subject to significant economic changes arising from the trends identified above under *'Principal Factors Affecting our Financial Condition and Results of Operations'* and the uncertainties described in the section *'Risk Factors'* on page 36. To our knowledge, except as has been described in this Red Herring Prospectus, there are no known trends or uncertainties, that have or had or are expected to have a material adverse impact on our revenues from continuing operations.

Future Relationships between Costs and Income

Other than as described in *'Risk Factors'*, *'Our Business'* and *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* on pages 36, 274 and 467, respectively, to our knowledge, there are no known factors that may have a material adverse impact on our business, results of operations and financial condition.

New Services or Business Segments

Except as disclosed in this Red Herring Prospectus, we have not announced and do not expect to announce any new services or business segments in the near future.

Significant Developments after March 31, 2025 that may affect our results of operations

Except as disclosed in this Red Herring Prospectus, there are, to our knowledge, no significant developments after the date of the last financial statements contained in this Red Herring Prospectus which materially and adversely affects, or is likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (a) criminal proceedings (including first information reports) involving our Company, Directors, Promoters or Subsidiaries; (b) actions by any statutory or regulatory authorities involving our Company, Directors, Promoters or Subsidiaries; (c) disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last 5 Fiscals including outstanding action; (d) claim involving our Company, Directors, Promoters or Subsidiaries for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved); and (e) criminal proceedings involving our Key Managerial Personnel and members of Senior Management and actions by regulatory authorities and statutory authorities against any of our Key Managerial Personnel and members of Senior Management; (f) other pending litigations involving our Company, Directors, Promoters or Subsidiaries (other than proceedings covered under (a) to (e) above) which have been determined to be material pursuant to the materiality policy approved by our Board in its meeting held on August 30, 2025 (**Materiality Policy**) (as disclosed herein below).*

In terms of the Materiality Policy, all outstanding litigation/ arbitration proceedings (other than those covered under (a) - (d) above) involving our Company, its Directors, its Promoters and Subsidiaries, shall be considered 'material' and disclosed in the Issue Documents: (i) if the aggregate monetary amount of claim made by or against the entity or person in any such pending proceeding exceeds 2% of the turnover of the Company as per the Restated Consolidated Financial Information i.e. ₹ 487.76 million or 2% of the net worth of the Company, whichever is lower, as per the latest completed fiscal year in the Restated Consolidated Financial Information of the Company to be included in the Issue Documents i.e. ₹ 226.19 million or 5% of the average value of the profit/loss after tax of our Company, as per the Restated Consolidated Financial Information of the Company to be included in the Issue Documents i.e. ₹ 87.59 million, whichever is lower; or (ii) where monetary liability is not determinable or quantifiable for any other outstanding proceeding, or which does not fulfil the financial threshold specified in (i) above, but the outcome of any such pending proceeding may have a material adverse effect on the business, operations, performance, prospects, position or reputation of our Company.

Pre-litigation notices received by the Company, its Directors, its Promoters, its Subsidiaries or its Group Companies, from third parties (excluding notices from statutory, regulatory or tax authorities or notices threatening criminal action) shall not be evaluated for materiality until the Company, its Directors, its Promoters, its Subsidiaries or its Group Companies, is impleaded in proceedings before any judicial/ arbitral forum.

Further, as per the requirements of SEBI ICDR Regulations, the Company shall also disclose such outstanding litigation involving the group companies which has a material impact (as determined by our Board) on the Company.

Except as stated in this section, there are no material outstanding dues to creditors of our Company. For this purpose, our Board, in its meeting held on August 30, 2025 has considered and adopted the Materiality Policy for identification of material outstanding dues to creditors. In terms of our Materiality Policy, creditors of our Company to whom an amount having a monetary value exceeds 5 % of the total consolidated trade payables of the Company are considered material. In addition, outstanding dues as on March 31, 2025, owed by our Company to micro, small and medium enterprises in terms of Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 and creditors other than micro, small and medium enterprises and Material Creditors have been disclosed in this section.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus.

I. Litigation involving our Company

A. Litigations against our Company

i. Criminal proceedings

Nil

ii. Outstanding actions by statutory and/or regulatory authorities

- a. Our Company and one of our Promoters and the Chairman and Managing Director i.e. Maddisetty Venugopal have filed an adjudication application dated January 7, 2025 under section 454 of the Companies Act 2013 before the Registrar of Companies, Bengaluru seeking levy of nominal penalty for delay in incurring relevant expenditure towards CSR in terms of Section 135 of the Companies Act and transferring the unspent amount to a fund specified in Schedule VII of the Companies Act, 2013 for Fiscal 2021, Fiscal 2022, Fiscal 2023 and Fiscal 2024. Subsequently, the Registrar of Companies, Bengaluru has issued a show cause notices dated February 19, 2025 to our Company, Maddisetty Venugopal Rao, for non-compliance of Section 135 of the Companies Act, 2013 seeking show cause as to why action should not be taken including levying monetary penalty of ₹ 11.32 million on our Company and ₹ 0.52 million on Maddisetty Venugopal Rao. Our Company and Maddisetty Venugopal Rao have filed replies to the show cause notices on March 12, 2025, and have requested that the liability condoned with or without levy of reasonable cost or fees. The matter is currently pending.

iii. *Tax proceedings*

Nature of the case	Number of cases	Total amount* involved (in ₹ million)
Direct tax litigations	3	81.70
Indirect tax litigations**	21	404.56
Total	24	486.26

*To the extent quantifiable and ascertainable

**Superintendent of Central Tax issued a letter dated September 15, 2020, under section 74, of the Central Goods and Services Tax Act, 2017 and Karnataka Goods and Services Act, 2017 against our Company asking for clarification on declaration of non-taxable supply of ₹ 1248.70 million and an exempt supply of ₹ 1.20 million during Financial Years 2017-18, 2018-19 and 2019-20 in GSTR3B. Our Company vide its letter dated November 17, 2020, replied that our Company had entered into the contractual agreements with the telecom companies viz. ATC Telecom Infrastructure Private Limited and Tower Vision Private Limited providing operation and maintenance services of various telecom sites. It further submitted that it had inadvertently declared the amount of ₹ 1,290.30 as non-taxable supply during the FY 2017-18, 2018-19 and 2019-20 in GSTR 3B and the amount was towards the reimbursement of actual consumption of diesel for running the DG Sets at telecom towers and actual reimbursement of electricity bills. It was also submitted that our Company is engaged in tripartite agreement with BESCO and Krishna Bhagya Jala Nigam Limited (KBJNL) designing, constructing, erecting, testing and commissioning and completing the solar OV canal mount project for which they have generated and supplied solar power amounting to ₹ 139.30 million during Financial Year 2017-2018, 2018-19, and 2019-20. Our Company also submitted that it had made supply of MEIS scrips amounting to ₹ 3.10 million for Financial Year 2017-18 and 2018-19 which is an exempt supply for the purpose of GST. The Principal Commissioner of Central Tax, Bengaluru West Commissioner issued a show cause notice dated November 1, 2022, under Section 74(1) of the CGST/KGST Act, 2017 against our Company inter alia asking the Company to show cause as to why GST of ₹ 238.70 million on the amounts received towards consumption of diesel and electricity bills during the period from July, 2017 to March, 2020 should not be demanded and recovered, the ineligible ITC of ₹ 3.90 million attributable to exempt supplies should not be demanded and recovered, and the ITC of ₹ 3.6 million reversed by the Company should not be demanded along with interest and penalty on the demand in terms of the Act. Our Company has challenged the show cause notice through a Writ Petition dated December 6, 2022 filed against Union of India, State of Karnataka, Commissioner of Commercial Taxes in Karnataka and the Additional Commissioner of Central Tax in High Court of Karnataka, Bengaluru on inter alia the grounds that diesel is a non-GST item and cannot be subject to levy of GST merely because it is supplied in the course of providing services of a composite contract. Our Company has also state that it provides services in respect of payment of electricity charges as pure agent and the said charges should be excluded from the value of supply. The matter is currently pending before the High Court of Karnataka, Bengaluru.

iv. *Material outstanding litigations*

Nil

v. *Other Matters*

- a. Based on information available on the website of www.patna.dcourts.gov.in/, our Company is a respondent in the matter of State of Bihar vs. M/s Pace Power Systems Private Limited (Cr. Case Complaint No. 363/2017) before the C.J.M. Division, Civil Courts, Patna Sadar. While, our Company has not been served with any documents (including the copy of the complaint in the matter), our Company has submitted an application dated March 20, 2025 with the C.J.M. Division, Civil Courts, Patna Sadar seeking a copy of the documents (including the copy of the complaint in the matter). However, as of the date of this Red Herring Prospectus, we have not received any documents in the matter (including the copy of the complaint), and this limited disclosure has been made based on the information available on the website of www.patna.dcourts.gov.in.
- b. Based on information available on the website of www.patna.dcourts.gov.in/, our Company is a respondent in the matter of State of Bihar vs. M/s Pace Power Systems Private Limited (Cr. Case Complaint No. 67/2017) before the C.J.M. Division, Civil Courts, Patna Sadar. While, our Company has not been served with any documents (including the copy of the complaint in the matter), our Company has submitted an application dated March 20, 2025 with the C.J.M. Division, Civil Courts, Patna Sadar seeking a copy of the documents (including the copy of the complaint in the matter). However, as of the date of this Red Herring Prospectus, we have not received any documents in the matter (including the copy of the complaint), and this limited disclosure has been made based on the information available on the website of www.patna.dcourts.gov.in.

B. Litigation initiated by our Company

i. *Criminal proceedings*

Nil

ii. *Material outstanding litigations*

Nil

II. Litigation involving our Subsidiaries

A. Litigations against our Subsidiaries

i. *Criminal proceedings*

Nil

ii. *Outstanding actions by statutory and/or regulatory authorities*

Nil

iii. *Tax proceedings*

Nature of the case	Number of cases	Total amount* involved (in ₹ million)
Direct tax litigations	3	12.05
Indirect tax litigations	6	40.26
Total	9	52.31

*To the extent quantifiable and ascertainable

iv. *Material outstanding litigations*

Nil

B. Litigation initiated by our Subsidiaries

i. *Criminal proceedings*

Nil

ii. *Material outstanding litigations*

Nil

III. Litigation involving our Promoters

A. Litigations against our Promoters

i. *Criminal proceedings*

- a. Chanda S. Khetawat and M/s Utkal Concrete Products Prop. have filed a complaint against Lanarsy Infra Limited (one of our Group Companies), Maddisetty Venugopal Rao and Padma Venugopal Maddisetty (in their capacity as directors of Lanarsy Infra Limited) dated January 28, 2020 and December 28, 2021, respectively, under Section 138 of the Negotiable Instruments Act, 1881, for dishonoured cheques and non-payment of the price of poles supplied to Lanarsy Infra Limited, claiming payment of the outstanding dues of ₹ 4.59 million and ₹ 2.54 million, respectively. The matters are currently pending.

ii. *Outstanding actions by statutory and/or regulatory authorities*

Other than as disclosed in 'Litigation involving our Company – Litigation against our Company - Outstanding actions by statutory and/or regulatory authorities', there are no outstanding actions by statutory and/or regulatory authorities involving our Promoters on page 485.

iii. *Disciplinary actions including penalty imposed by SEBI or Stock Exchanges in the last 5 Fiscals*

Nil

iv. *Tax proceedings*

Nature of the case	Number of cases	Total amount* involved (in ₹ million)
Direct tax litigations	NIL	NIL
Indirect tax litigations	NIL	NIL
Total	NIL	NIL

*To the extent quantifiable and ascertainable

v. *Material outstanding litigations*

Nil

B. Litigation initiated by our Promoters

i. *Criminal proceedings*

Nil

ii. *Material outstanding litigations*

Nil

IV. Litigation involving our Directors (other than Promoters)

A. Litigations against our Directors (other than Promoters)

i. *Criminal proceedings*

Nil

ii. *Outstanding actions by statutory and/or regulatory authorities*

Nil

iii. *Tax proceedings*

Nature of the case	Number of cases	Total amount involved (in ₹ million)
Direct tax litigations	NIL	NIL
Indirect tax litigations	NIL	NIL
Total	NIL	NIL

**To the extent quantifiable and ascertainable*

iv. *Material outstanding litigations*

Nil

B. Litigation initiated by our Directors (other than Promoters)

i. *Criminal proceedings*

Nil

ii. *Material outstanding litigations*

Nil

V. Litigation involving our Group Companies

As on the date of this Red Herring Prospectus, there are no litigations involving our Group Companies which are material to our Company.

VI. Litigations involving our Key Managerial Personnel and members of Senior Management (other than Directors)

i. *Criminal proceedings involving our Key Managerial Personnel and members of Senior Management*

As on the date of this Red Herring Prospectus, there are no criminal proceedings involving our Key Managerial Personnel and members of Senior Management.

ii. *Actions by regulatory authorities and statutory authorities*

As on the date of this Red Herring Prospectus, there are no actions against any of our Key Managerial Personnel and, or, members of Senior Management by any regulatory authority or statutory authority.

VII. Outstanding dues to creditors

As of March 31, 2025, our Company had 1,301 creditors on a consolidated basis and the aggregate amount due by our Company to these creditors was ₹ 10,150.25 million, on a consolidated basis, as detailed below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises*	122	138.98
Material Creditors**	3	3,437.94
Other creditors (excluding provisions for expenses)	1,176	5,323.30
Provision for expenses	Not identifiable	1,250.03
Total	1,301	10,150.25

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

Our Board, in its meeting held on August 30, 2025 has considered and adopted the Materiality Policy for identification of material outstanding dues to creditors. In terms of our Materiality Policy, creditors of our Company to whom an amount having a monetary value exceeds 5% of the total trade payables of the Company are considered material (Material Creditors**). Based on this criteria, details of outstanding dues owed to Material Creditors as on March 31, 2025, by our Company are set out below:

Particulars	Number of Creditors	Amount involved (in ₹ million)
Material Creditors	3	3,437.94
Total	3	3,437.94

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at <https://pacedigitek.com/investor-relations>.

It is clarified that information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, <https://pacedigitek.com/investor-relations> would be doing so at their own risk.

Material Developments since the date of the last Balance Sheet

Other than as disclosed in 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on page 467, there have not arisen, since the date of the last financial information disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability, the value of our assets, or our ability to pay our liabilities within the next 12 months from the date of this Red Herring Prospectus.

GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein, and in 'Risk Factors' on page 36 (in relation to material approvals which are required but not obtained or applied for by us), our Company has received the material consents, licenses, permissions, registrations and approvals from the relevant governmental, statutory and/ or regulatory authorities in India, which are necessary for undertaking its present business activities. We have set out below a list of material consents, licenses, permissions, and approvals from various governmental, statutory, and regulatory authorities in India which are considered material and necessary for the purpose of undertaking our business activities. Unless stated otherwise, these material approvals are valid as on the date of this Red Herring Prospectus.

In addition to these approvals, we have also disclosed below (i) the approvals applied for, including renewal applications made, but not received; and (ii) the approvals for which applications are yet to be made by our Company.

I. Approvals in relation to the Issue

For details of approvals and authorisations in relation to the Issue, see 'Other Regulatory and Statutory Disclosures' on page 500.

II. Approvals in relation to incorporation of our Company

For details in relation to the incorporation of our Company, see 'History and Certain Other Corporate Matters' on page 315.

III. Approvals in relation to our Company's business operations

Our Company is required to obtain various registrations and approvals in relation to our business. The registrations and approvals obtained by our Company in respect of our business operations include:

Business related approvals

Sr. No.	Particulars	Issuing Authority	Reference No.	Date of Issue / Renewal	Expiry Date
1.	Allotment of Importer-Exporter Code Number	Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India	0707020824	November 27, 2007	Valid until cancelled

Labour related approvals

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
1.	Allotment of code number under Employees State Insurance Act, 1948 for premises situated at Plot No. V-12, Industrial Estate, Kumbalgodu,	Regional Office, Employees' State Insurance Corporation, Bengaluru	May 08, 2010	Valid until cancelled

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
	Bengaluru, Mysore Highway, 560074.			
2.	Allotment of code number under Employees Provident Fund Scheme, 1952; Employees' Pension Scheme, 1995; and Employees Deposit Linked Insurance Scheme, 1976.	Employees' Provident Fund Organisation, Ministry of Labor, Government of India, Regional office, Karnataka	March 11, 2008	Valid until cancelled
3.	Factory License for factory located at Plot No 73-P, Phase II, Bidadi Industrial Area, Ramanagara	Government of Karnataka, Factories, Boilers, Industrial Safety and Health Department	August 11, 2025	December 31, 2027
4.	Fire NOC for Factory at Plot No 73-P, Phase II, Bidadi Industrial Area, Ramanagara	Karnataka State Fire & Emergency Services	July 09, 2025	NA

Industrial Laws

Sr. No.	Particulars	Issuing Authority	Reference No.	Date of Issue / Renewal	Expiry Date
1.	MSME Udyam Registration Certificate	Ministry of Small and Medium Enterprises, Government of India	UDYAM-KR-03-0095284	August 16, 2021	Valid until cancelled

Shops and Establishments

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
	Registration Certificate under Karnataka Shops and Commercial Establishments Act, 1961 for Registered Office.	Office of Senior Labour Inspector, Bengaluru, Government of Karnataka, Department of Labour.	March 02, 2021	December 31, 2025

Tax related approvals

Sr. No.	Particulars	Issuing Authority	Reference No.
1.	Permanent Account Number (PAN)	Income Tax Department	AAECP2697K
2.	Tax deduction and collection Account Number (TAN)	Income Tax Department	BLRP07837E

Sr. No.	Particulars	Issuing Authority	Reference No.
3.	Certificate of Registration	Issued under Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976	367139435

GST registrations

Sr. No.	Name of the State	Principal Place of Business in the State	Reference No.	Date of Issue
1.	Chhattisgarh	1st Floor, 1/A, South Avenue, Choubey Colony, Raipur, Raipur, Chhattisgarh, 492001	22AAECP2697K1Z5	January 14, 2025
2.	Delhi	6 th Floor, 611, S.G. Shopping Mall, DC Chowk, Sector-9, Rohini, North Delhi, Delhi, 110085.	07AAECP2697K1ZX	January 16, 2025
3.	Andhra Pradesh	3 rd Floor, Plot No 78, Door No. 50/20/1/8C, Commercial Tax Colony Road No 02, Vijayawada, Andhra Pradesh, 520008	37AAECP2697K1ZU	January 21, 2025
4.	Uttarakhand	Khasra No. 1828, Hari chowk, Salempur Mehdood – IP-11, Begumpur, Haridwar, Uttarakhand, 249402	05AAECP2697K1Z1	January 18, 2025
5.	Arunachal Pradesh	LPC NO./LMZ/LPCZ/207/2011, NH13 Highway, Dutta Village, Ziro, AR, Lower Subansiri, Arunachal Pradesh, 791120.	12AAECP2697K1Z6	January 04, 2025
6.	Jammu & Kashmir	Khasra No. 796, Khewat No. 12, Khata No. 153, Bari Brahmana, Jammu, J&K, Kartholi, Samba, Jammu and Kashmir, 181133.	01AAECP2697K1Z9	December 19, 2024
7.	Goa	Plot No. L-86, 2 nd Phase Salcete, Verna Industrial Estate, Verna, South Goa, Goa, 403722.	30AAECP2697K1Z8	January 01, 2025
8.	Karnataka	2 nd Floor, Plot No. V12, Industrial Estate, Bengaluru-Mysore Highway, Kumbalagodu, Bengaluru, Karnataka, 560074.	29AAECP2697K1ZR	January 05, 2025
9.	West Bengal	No. 88, 1 st Floor at back side holding No. 118, M.M Ghosh Road, South Dum Dum Municipality, Ward No. 21, Kolkata, West Bengal, 700074.	19AAECP2697K1ZS	January 10, 2025
10.	Assam	House No. 41, Kalaguru Bhishnu Rabha path, P.O. Beltola, Basistha, Guwahati, Kamrup Metropolitan, Assam, 781028.	18AAECP2697K1ZU	December 13, 2024
11.	Jharkhand	Pee Pee Compound, 2 nd Floor, 201, Paradise Apartment, Sindhi Marg, Ranchi, Jharkhand, 834001.	20AAECP2697K1Z9	January 11, 2025

Sr. No.	Name of the State	Principal Place of Business in the State	Reference No.	Date of Issue
12.	Gujarat	Office No 405, Mapple Trade Centre, Sun & Step Club Road Thaltej, Surdhara Circle, Ahmedabad, Gujarat - 380054	24AAECP2697K1Z1	January 7, 2025
13.	Bihar	M2-40, SK Puri, Patna, Bihar, 800001	10AAECP2697K1ZA	January 6, 2025
14.	Haryana	House No. 103, Sector 47, Gurugram, Haryana, 122018.	06AAECP2697K1ZZ	December 13, 2024
15.	Kerala	17/356/A, Moothedath House, Ernakulam, Kerala, 683106.	32AAECP2697K1Z4	January 22, 2025
16.	Himachal Pradesh	Khasra No. 179/165/73, Village Kothi, P.O Chandpur, Tehsil Sadar, Bassi, Bilaspur, Himachal Pradesh, 174002.	02AAECP2697K2Z6	January 01, 2025
17.	Madhya Pradesh	1st floor, F-1, Amrit apartment, BDA Road, Vidhya Stationery, Awadhpuri, Bhopal, Madhya Pradesh- 462022	23AAECP2697K1Z3	January 9, 2025
18.	Maharashtra	1,B No G,Marisoft-I,Central Avenue Road, Wadgaon Sheri, Pune, Maharastra-411014	27AAECP2697K1ZV	January 29, 2025
19.	Manipur	Dag No. 177/766, Patta No. 15/518, Village No. 104, Langjing Achouba, Imphal, Imphal West, Manipur, 795140.	14AAECP2697K1Z2	December 24, 2024
20.	Nagaland	Plot No. 456/583, 456/747, Opp. Nili Motors Near Chakasang Baptist Church, Nahar Bari, Dimapur, Nagaland, 797112.	13AAECP2697K1Z4	January 02, 2025
21.	Odisha	1961, Jagamara, Talabania, Gandamunda, Khandagiri, Bhubaneswar, Khordha, Odisha, 751030.	21AAECP2697K1Z7	December 11, 2024
22.	Punjab	Plot No. F-303, Phase-8 B, Industrial Area, Mohali, SAS Nagar, Punjab, 160055.	03AAECP2697K1Z5	February 5, 2025
23.	Rajasthan	Radha Swami Bagh, Mangalam City, Chomu, Jaitpura, Jaipur, Rajasthan, 303704.	08AAECP2697K1ZV	December 11, 2024
24.	Tamil Nadu	First Floor, Old No. 3, New No. 22, Jaffer Khanpet, Kanchi, Natarajan Street, Vasudevan Nagar, Chennai, Tamil Nadu, 600083.	33AAECP2697K1Z2	January 13, 2025
25.	Telangana	H.No. 4-08-239, Plot No. 36, Seetapathi Colony, West Marredpally, Secunderabad, Hyderabad, Telangana, 500026.	36AAECP2697K1ZW	December 17, 2024
26.	Uttar Pradesh	3/343, Viswas Khand, Gomti Nagar, Lucknow, Uttar Pradesh, 226010	09AAECP2697K1ZT	January 16, 2025

Sr. No.	Name of the State	Principal Place of Business in the State	Reference No.	Date of Issue
27.	Andaman & Nicobar	SY No. 100/9/16/7, Indiranagar, Manglutan Village, Humfrigunj, P.S Port Blair, South Andaman, Andaman and Nicobar Islands, 744105.	35AAECP2697K1ZY	January 16, 2025
28.	Ladakh	Ando Pashkum_Khasra No.1389 ,shakar Rong, Shakar Kargil, Kargil, Shakar District: Kargil, Ladakh-194109	38AAECP2697K1ZS	January 16, 2025

Intellectual property rights

Details of our trademarks registered are as set out below:

Sr. No.	Application Number	Trademark	Class	Date of registration / application / renewal application	Status	Validity
1.	6916933	Pace Digitek	9 and 37	Date of application: March 21, 2025	Formalities check pass	Pending
2.	6916934		9 and 37	Date of application: March 21, 2025	Formalities check pass	Pending
3.	2719997	LINEAGE	9	Date of application: April 17, 2014	Registered	April 16, 2034
4.	2719998	LINEAGE POWER	9	Date of application: April 17, 2014	Registered	April 16, 2034

Domain Names

Details of our domain names are set out below:

Sr. No.	Domain Name	Current Status	Validity
1.	Pace-lineage.com	Registered	November 4, 2025
2.	Lineage-pace.com	Registered	November 4, 2025
3.	Pacepowerkenya.com	Registered	March 19, 2026
4.	Pacerenewables.com	Registered	March 23, 2026
5.	Pdipl.net	Registered	April 7, 2026
6.	Pacedigitek.com	Registered	April 6, 2026
7.	Ppspl.net	Registered	March 27, 2026
8.	Pacedigitekinfra.com	Registered	April 6, 2026
9.	Pdipl.org	Registered	April 6, 2026
10.	Paceinfratelsol.com	Registered	May 23, 2026
11.	Pacepowerrrwanda.com	Registered	May 23, 2026
12.	Pacepowerzambia.com	Registered	May 23, 2026
13.	Pacepowersystems.com	Registered	June 1, 2026
14.	Pacepowerglobal.com	Registered	June 1, 2026
15.	Pacepowergroup.com	Registered	June 1, 2026
16.	Lineagepowersystems.com	Registered	June 10, 2026

IV. Material approvals in relation to our Material Subsidiaries

a. Lineage Power Private Limited

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
1.	Allotment of Importer-Exporter Code Number	Directorate General of Foreign Trade, Ministry of Commerce and Industry	July 31, 2014	Valid until cancelled
2.	Register-Cum-Membership Certificate	Engineering Export Promotion Council, India	March 28, 2025	March 31, 2026
3.	Consent for operation under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981	Karnataka State Pollution Control Board	May 13, 2024	December 31, 2038
4.	Consent for operation under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981	Karnataka State Pollution Control Board	March 31, 2022	December 31, 2036
5.	Consent for establishment under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981	Karnataka State Pollution Control Board	June 18, 2025	June 17, 2030
6.	Registration Certificate for Producer	Central Pollution Control Board, Ministry of Environment Forest and Climate Change	September 15, 2023	5 years from the date of issue
7.	EPR Registration Certificate of Producer under E-Waste (Management) Rules, 2022	Central Pollution Control Board, Ministry of Environment Forest and Climate Change	November 08, 2023	5 years from the date of issue
8.	Factory License for factory located at: Plot No. 30-A1, 1 st Phase, Kiadb, Mysore Road, Kumbalgodu, Bangalore	Government of Karnataka, Factories, Boilers, Industrial Safety and Health Department	January 1, 2024	December 31, 2025
9.	Fire Safety Recommendation factory located at: Plot No. 30-A1, 1 st Phase, Kiadb, Mysore Road, Kumbalgodu, Bangalore	Karnataka State Fire & Emergency Services	May 27, 2025	May 26, 2026
10.	Factory License for factory located at: Plot No. 27-A 1 st Phase Kiadb, Mysore Road Kumbalgodu, Bangalore	Government of Karnataka, Factories, Boilers, Industrial Safety and Health Department	January 1, 2024	December 31, 2025
11.	Fire Safety Recommendation factory located at: Plot No. 27-A 1 st Phase Kiadb, Mysore Road Kumbalgodu, Bangalore	Karnataka State Fire & Emergency Services	May 27, 2025	May 26, 2026
12.	Certificate of Registration under the Contract Labour	Department of Labour, Government of Karnataka	March 21, 2025	12 months from the date of issue/renewal

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
	(Regulation and Abolition) Act, 1970			
13.	Certificate of Registration under the Contract Labour (Regulation and Abolition) Act, 1970	Department of Labour, Government of Karnataka	October 4, 2023	24 months from the date of issue/renewal
14.	Allotment of code number under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Ministry of Labour and Employment, Government of India	July 14, 2014	Valid until cancelled
15.	Allotment of code number under Employees State Insurance Act, 1948	Employee's State Insurance Corporation	July 15, 2014	Valid until cancelled
16.	Certificate of Registration for Professional Tax	Government of Karnataka	November 16, 2018	Valid until cancelled
17.	GST Registration Certificate (Punjab)	Excise and Taxation Officer-cum- State Tax Officer, Mohali (Ward No. 3)	March 3, 2024	Valid until cancelled
18.	GST Registration Certificate (Haryana)	Taxation Inspector, Gurgaon (Ward 7)	November 20, 2024	Valid until cancelled
19.	GST Registration Certificate (Rajasthan)	Assistant Commissioner, Circle-B, Jaipur III, Ward-II	May 1, 2024	Valid until cancelled
20.	GST Registration Certificate (Bihar)	Joint Commissioner of State Tax, Patna City West	November 23, 2024	Valid until cancelled
21.	GST Registration Certificate (West Bengal)	Deputy Commissioner, Colootola	May 21, 2024	Valid until cancelled
22.	GST Registration Certificate (Odisha)	Assistant Commissioner of State Tax, Bhubaneswar II Circle	April 4, 2024	Valid until cancelled
23.	GST Registration Certificate (Chhattisgarh)	Assistant Commissioner of State Tax, Raipur - 5	March 15, 2024	Valid until cancelled
24.	GST Registration Certificate (Madhya Pradesh)	Assistant Commissioner of State Tax, Bhopal - 2	May 24, 2024	Valid until cancelled
25.	GST Registration Certificate (Maharashtra)	State Tax Officer, Pune Cantt - 701	April 1, 2024	Valid until cancelled
26.	GST Registration Certificate (Karnataka)	Assistant Commissioner, LVO 035, Bengaluru	October 12, 2019	Valid until cancelled
27.	GST Registration Certificate (Tamil Nadu)	Commercial Tax Officer, Ashok Nagar	May 10, 2024	Valid until cancelled
28.	GST Registration Certificate (Andhra Pradesh)	Assistant Commissioner (ST), Eluru Bazaar	October 14, 2024	Valid until cancelled
29.	GST Registration Certificate (Delhi)	Sales Tax Officer Class II / AVATO, Ward 112 (Special Zone)	March 15, 2024	Valid until cancelled
30.	GST Registration Certificate (Mizoram)	Deputy Commissioner of State Tax, Aizawl North Circle	February 10, 2025	Valid until cancelled
31.	GST Registration Certificate (Assam)	Assistant Commissioner of State Tax, Guwahati - C - 4	April 24, 2024	Valid until cancelled

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
32.	GST Registration Certificate (Jharkhand)	Assistant Commissioner, Ranchi South	June 7, 2024	Valid until cancelled
33.	GST Registration Certificate (Gujarat)	State Tax Officer, Ghatak 5 (Ahmedabad)	February 28, 2024	Valid until cancelled
34.	GST Registration Certificate (Karnataka)	Superintendent, Range – CWD7	January 23, 2025	Valid until cancelled
35.	GST Registration Certificate (Kerala)	Superintendent, Taxpayer Services Circle, Palakkad West	February 27, 2024	Valid until cancelled
36.	GST Registration Certificate (Telangana)	Deputy State Tax Officer, Bowenpally - II	March 3, 2024	Valid until cancelled

b. Pace Renewable Energies Private Limited

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
1.	Allotment of Importer-Exporter Code Number	Directorate General of Foreign Trade, Ministry of Commerce and Industry	June 25, 2010	Valid until cancelled
2.	GST Registration Certificate (Karnataka)	Assistant Commissioner of Income Tax, Bengaluru	April 22, 2024	Valid until cancelled
3.	GST Registration Certificate (Haryana)	Excise and Taxation officer, Gurgaon (South) Ward 10	May 11, 2024	Valid until cancelled
4.	GST Registration Certificate (Madhya Pradesh)	Assistant Commissioner of State Tax, Bhopal – 5	April 19, 2024	Valid until cancelled
5.	GST Registration Certificate (Chattisgarh)	Superintendent of Income Tax, Raipur – 5	April 26, 2024	Valid until cancelled
6.	GST Registration Certificate (Rajasthan)	Joint Commissioner of Income Tax, Circle-I, Jaipur (Ward 4)	November 9, 2020	Valid until cancelled
7.	GST Registration Certificate (Bihar)	Joint Commissioner of State Tax, Patna South 1	October 31, 2023	Valid until cancelled
8.	GST Registration Certificate (Manipur)	Commissioner of State Tax, Manipur	April 23, 2024	Valid until cancelled
9.	GST Registration Certificate (Jharkhand)	State Tax Officer, Ranchi West	April 2, 2024	Valid until cancelled
10.	GST Registration Certificate (Punjab)	Excise and Taxation Officer – cum – State Tax Officer, Mohali (Ward No. 7)	January 1, 2021	Valid until cancelled
11.	GST Registration Certificate (Uttar Pradesh)	Assistant Commissioner of Income Tax, Noida Sector – 11	December 8, 2020	Valid until cancelled
12.	GST Registration Certificate (Maharashtra)	Deputy Commissioners of State Tax, Maharashtra	February 18, 2023	Valid until cancelled
13.	Allotment of code under Employees State Insurance Act, 1948 for premises situated at Plot No. V-12, Industrial Estate, Kumbalgodu, Bangalore, Mysore Highway, 560074.	Regional Office, Employee's State Insurance Corporation, Bangalore	April 26, 2011	Valid until cancelled

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
14.	Certificate of Registration for Professional Tax	Government of Karnataka, Commercial Taxes Department	May 20, 2011	Valid until cancelled
15.	Allotment of code number under Employees Provident Fund Scheme, 1952	Employee Provident Fund Organisation, Ministry of Labour, Government of India	December 16, 2010	Valid until cancelled

V. Material Approvals applied for, including renewal applications, but not received by our Company

NIL

VI. Material Approvals applied for, including renewal applications, but not received by our Material Subsidiaries

NIL

VII. Approvals for which applications are yet to be made by our Company

NIL

VIII. Approvals for which applications are yet to be made by our Material Subsidiaries

NIL

IX. Approvals required but not obtained or applied for, by our company

NIL

X. Approvals required but not obtained or applied for by our Material Subsidiaries

NIL

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorized by our Board of Directors pursuant to the resolution passed at its meeting dated February 1, 2025 and by our Shareholders pursuant to a special resolution passed at their meeting dated February 1, 2025.

The Draft Red Herring Prospectus was approved by our Board pursuant to its resolution dated March 27, 2025 for filing with the SEBI and Stock Exchanges. This Red Herring Prospectus was approved by our Board pursuant to its resolution dated September 19, 2025

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 each dated August 20, 2025.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of our Promoter Group, and our Directors, and persons in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities. None of our Promoters or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Our Company, Promoters and Directors have neither been declared as Wilful Defaulters nor Fraudulent Borrowers, as defined in the SEBI ICDR Regulations. Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

Other Confirmations

There are no findings/observations of any of the inspections by SEBI or any other regulator which are material, and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision in the Issue.

There is no conflict of interest between the lessors of immovable properties of (who are crucial for the operations of our Company) and our Company, or any of our Promoters, Directors, members of Promoter Group, Key Managerial Personnel.

There is no conflict of interest between the suppliers of raw materials and third party service providers (who are crucial for the operations of our Company) and our Company, or any of our Promoters, Directors, members of Promoter Group, Key Managerial Personnel.

Except as disclosed below, none of the Directors, or Promoters or individuals forming part of the Promoter Group of our Company is appearing in the list of directors of struck-off companies:

- Maddisetty Venugopal Rao, our Chairman and Managing Director, was associated with Pace Agrotech (India) Private Limited, Pace Organic Farms Private Limited as a director, which were voluntarily struck off for being inoperative on December 13, 2018. The striking off of these companies has not had any financial impact on the business of our Company.
- Padma Venugopal Maddisetty, one of our Whole-Time Director, was associated with Pace Agrotech (India) Private Limited and Pace Organic Farms Private Limited as a director, which were voluntarily struck off for being

inoperative on December 13, 2018. The striking off of these companies has not had any financial impact on the business of our Company.

- Madisetty Sridhar, one of the members of our Promoter group, was associated with Aasritha Infotech Private Limited as a director, which was struck off by the registrar of companies.

Directors associated with the Securities Market

None of our Directors are in any manner, associated with securities market and there is no outstanding action initiated by SEBI against our Directors in the 5 years preceding the date of this Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters and members of our Promoter Group confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Red Herring Prospectus.

Eligibility for the Issue

Our Company is eligible to undertake the Issue in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding 3 full years (of 12 months each) of which not more than 50% are held in monetary assets;
- Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding 3 years (of 12 months each), with operating profit in each of these preceding 3 years;
- Our Company has a net worth of at least ₹10 million in each of the preceding 3 full years (of 12 months each), calculated on a restated and consolidated basis; and
- Except as disclosed in 'History and Certain Corporate Matters – Amendments to our Memorandum of Association' on page 316, our Company has not changed its name in the year immediately preceding the date of this Red Herring Prospectus. Our Company has not undertaken any new business activity indicated pursuant to the new name.

Set forth below are our Company's operating profits, net worth, net tangible assets and monetary assets derived from the Restated Consolidated Financial Information included in this Red Herring Prospectus as at and for the Fiscal 2025, Fiscal 2024 and Fiscal 2023, are set forth below:

(in ₹ million, unless stated otherwise)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Operating Profit ⁽¹⁾	4,756.57	3,928.76	227.18
Average Operating Profit			2,970.84
Net Worth ⁽²⁾	10,803.25	4,500.61	2,287.90
Net Tangible Assets ⁽³⁾	11,798.88	5,377.94	3,034.36
Monetary Assets ⁽⁴⁾	783.54	957.49	102.68
Monetary assets as a percentage of the net tangible assets (in %)	6.64%	17.80%	3.38%

⁽¹⁾ 'Operating Profit' has been calculated as profit before tax add finance cost and less other income.

⁽²⁾ 'Net Worth' means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated consolidated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

⁽³⁾ 'Net tangible assets' means the sum of all net assets of the issuer, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38, as applicable, issued by the Institute of Chartered Accountants of India.

(4) 'Monetary assets' is the aggregate of cash on hand and balance with banks (including other bank balances and interest accrued thereon)

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Issue shall be not less than 1,000 failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) and 7(3) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulations 5 of the SEBI ICDR Regulations, to the extent applicable. The status of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

- (i) Our Company, the Promoters, members of the Promoter Group and our Directors are not debarred from accessing the capital markets by SEBI;
- (ii) The companies with which our Promoters or our Directors are associated as promoter or director are not debarred from accessing the capital markets by SEBI;
- (iii) Neither our Company, nor our Promoters nor our Directors have been identified as a Wilful Defaulter or a fraudulent borrower (as defined in the SEBI ICDR Regulations);
- (iv) Neither our individual Promoters nor our Directors has been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
- (v) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Red Herring Prospectus;
- (vi) Our Company, along with the Registrar to the Issue, has entered into tripartite agreements with NSDL and CDSL both dated March 17, 2025, for dematerialization of the Equity Shares;
- (vii) The Equity Shares of our Company held by our Promoters are in dematerialised form;
- (viii) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Red Herring Prospectus;
- (ix) Our Company has made 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 existing identifiable accruals.
- (x) Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters each dated August 20, 2025; and
- (xi) Our Company has appointed BSE as the Designated Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BRIM, UNISTONE CAPITAL PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT

RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLM IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 27, 2025 IN ACCORDANCE WITH SEBI (MERCHANT BANKERS) REGULATIONS, 1992, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Issue have been complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Promoters, our Directors and the BRLM

Our Company, our Promoters, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.pacedigitek.com, or the respective websites of members of our Promoter Group, Group Companies or any affiliate of our Company, would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement.

All information shall be made available by our Company and the BRLM to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, the BRLM and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the BRLM and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for our Company, our Promoters, members of the Promoter Group, and their respective directors and officers, Group Companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company, Directors, Promoters, officers, agents, Group Companies, or their respective affiliates or associates for which they have received, and may in future receive compensation.

Disclaimer in respect of jurisdiction

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, India only.

This Issue is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares issued hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus was filed with SEBI for its observations and this Red Herring Prospectus is being filed with the ROC. Accordingly, the Equity Shares represented hereby may not be issued, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. The delivery of this Red Herring Prospectus, shall not, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

This Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to this Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises this Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

Eligibility and Transfer Restrictions

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made.

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

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of the Draft Red Herring Prospectus was submitted to the BSE. The disclaimer clause as intimated by BSE to our Company post scrutiny of the Draft Red Herring Prospectus through its in-principle approval dated August 20, 2025, is as follows:

“BSE Limited (“the Exchange”) has given vide its letter dated August 20, 2025, permission to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

- a. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document: or*
- b. warrant that this Company’s securities will be listed or will continue to be listed on the Exchange: or*
- c. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.*

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.”

Disclaimer clause of NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company post scrutiny of the Draft Red Herring Prospectus through its in-principle approval dated August 20, 2025, is as follows:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/5353 dated August 20, 2025, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

Listing

The Equity Shares issued through this Red Herring Prospectus and the Prospectus are proposed to be listed on the Stock Exchanges. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalized for the Issue. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being issued and sold in the Issue.

If the permissions to deal in the Equity Shares is not granted by both the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of this Red Herring Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within 3 Working Days of the Bid/Issue Closing Date. If

our Company does not allot Equity Shares pursuant to the Issue within 3 Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Consents

Consents in writing of: (a) our Directors, our Promoters, our Company Secretary and Compliance Officer, Chief Financial Officer, Banker(s) to the Company, legal counsel appointed for the Issue, CRISIL, the BRLM, the Registrar to the Issue, Statutory Auditor, Independent Chartered Accountant, Practicing Company Secretary, Independent Chartered Engineer in their respective capacities, have been obtained; (b) Monitoring Agency; the Syndicate Member, the Banker(s) to the Issue / Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Bank(s), to act in their respective capacities, has been obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn as of the date of this Red Herring Prospectus.

Expert opinion

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

Our Company has received written consent dated September 8, 2025 from our Statutory Auditors namely, S S Kothari Mehta & Co. LLP, Chartered Accountants holding a valid peer review certificate from ICAI to include their name as 'expert' as required under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report dated August 30, 2025 on our Restated Consolidated Financial Information; and the statement of special tax benefits dated September 8, 2025 included in this Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under Securities Act.

Our Company has received written consent dated September 19, 2025 from DMP & Associates, the practicing Company Secretary, to include its name as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as practicing Company Secretary and in respect of the certificate dated September 19, 2025 issued by it in connection with the *inter alia* due diligence of corporate and statutory records of the Company and such consent has not been withdrawn as of the date of this Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated September 19, 2025 from Arimbur Kunjipallu Rappai, the Independent Chartered Engineer, to include their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered accountant and in respect of the certificate dated September 19, 2025 issued by it in connection with the *inter alia* capacity utilization and estimated cost and such consent has not been withdrawn as of the date of this Red Herring Prospectus. The term 'expert' shall be not construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated September 19, 2025 from M/s MRKS and Associates, the Independent Chartered Accountant, to include their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered accountant and in respect of the certificate dated September 19, 2025 issued by it in connection with the *inter alia* certain financial and operational data included in this Red Herring Prospectus and such consent has not been withdrawn as of the date of this Red Herring Prospectus. The term 'expert' shall be not construed to mean an 'expert' as defined under U.S. Securities Act.

Particulars regarding public or rights issues undertaken by our Company during the last 5 years.

Our Company has not made any public issue or rights issue during the last 5 years immediately preceding the date of this Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed group companies, or associate entity during the last 3 years.

Other than as disclosed in ‘*Capital Structure*’ on page 105, our Company has not made any capital issues during the 3 years preceding the date of this Red Herring Prospectus.

The securities of none of our Group Companies are listed on any stock exchange. Accordingly, none of our Group Companies have made any capital issues during the 3 years immediately preceding the date of this Red Herring Prospectus.

Commission and brokerage paid on previous issues of Equity Shares in the last 5 years

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the 5 years preceding the date of this Red Herring Prospectus.

Performance *vis-à-vis* objects – Public/ rights issue of our Company

Our Company has not made any public issue or rights issue in the 5 years immediately preceding the date of this Red Herring Prospectus.

Performance *vis-à-vis* objects: Public/ rights issue of the listed subsidiaries and listed promoters

As of the date of this Red Herring Prospectus, our Company does not have a listed subsidiary or listed corporate promoters.

Price information of past issues handled by the BRLM

A. Unistone Capital Private Limited

Price information of past public issues handled by Unistone Capital Private Limited

Sr. No.	Issue Name	Issue Size (₹ Millions)	Issue Price (₹)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
SME PLATFORM								
1.	Usha Financial Services Limited	984.48	168	October 31, 2024	164.00	-30.33% [-0.31%]	-40.57% [-4.31%]	-57.62% [0.54%]
2.	Amwill Healthcare Limited ⁽²⁾	599.80	111	February 12, 2025	88.85	-30.79% [2.81%]	-18.49% [6.53%]	-46.26% [5.82%]
3.	Chandan Healthcare Limited	1,073.57	159	February 17, 2025	165.10	20.25% [0.23%]	9.40% [8.97%]	49.69% [7.28%]
4.	Arunaya Organics Limited	339.88	58	May 07, 2025	30.10	-43.36% [2.41%]	-57.50% [0.96%]	-
5.	Savy Infra & Logistics Limited	699.84	120	July 28, 2025	136.50	12.96% [0.73%]	-	-
6.	Patel Chem Specialities Limited ⁽²⁾	588.00	84	August 01, 2025	110.00	11.26% [-0.56%]	-	-
7.	Bhadora Industries Limited	556.20	103	August 11, 2025	101.00	-0.92 [1.58%]	-	-
8.	Jyoti Global Plast Limited	354.42	66	August 11, 2025	65.90	-12.20% [1.58%]	-	-
9.	Sawaliya Foods Products Limited	348.34	120	August 14, 2025	246.00	104.42% [1.96%]	-	-
10.	Vigor Plast India Limited	251.04	81	September 12, 2025	85.00	-	-	-

Source: www.bseindia.com and www.nseindia.com for price information

(1) NSE as Designated Stock Exchange.

(2) BSE as Designated Stock Exchange.

Note:

- Issue size derived from Prospectus/final post issue reports, as available.
- The NIFTY 50 and 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.
- Price on NSE and 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.
- In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.
- 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.

Summary statement of price information of past issues handled by Unistone Capital Private Limited

Financial Year	Total no. of IPOs	Total funds raised (₹ in millions)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
MAIN BOARD														
Fiscal 2024	5	12,911.01	-	-	-	1	2	2	-	-	-	3	1	1
Fiscal 2025	4	8,976.29	-	-	1	1	-	2	-	-	-	1	-	-
Fiscal 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SME PLATFORM														
Fiscal 2024	5	1,692.60	-	-	-	-	2	3	-	-	1	2	1	1
Fiscal 2025	6	4,244.87	-	3	-	1	-	2	2	2	-	1	1	-
Fiscal 2026	7	3,137.71	-	1	2	1	-	2	-	-	-	-	-	-

Source: www.nseindia.com; www.bseindia.com, as applicable

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Website track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in Circular reference bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLM as set forth in the table below:

Sr No.	Name of the BRLM	Website
1.	Unistone Capital Private Limited	www.unistonecapital.com

Stock market data of the Equity Shares

As the Issue is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

SEBI, by way of its Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism, *inter alia*, in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Per the Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Banks containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of 1 Working Day subsequent to the finalisation of the Basis of Allotment.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular (to the extent applicable) and SEBI RTA Master Circular (to the extent applicable).

In terms of SEBI Master (to the extent applicable) and subject to applicable laws, 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 3 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% p.a. for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI ICDR Master Circular (to the extent applicable), in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. Further, in terms of SEBI ICDR Master Circular (to the extent applicable), the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of 8 years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or

UPI ID in case of UPI Bidders applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM with whom the Bid cum Application Form was submitted by the Anchor Investor. All grievances relating to Bids submitted with the Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Issue. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For helpline details of the Book Running Lead Manager pursuant to the SEBI ICDR Master Circular (to the extent applicable), see '*General Information - Book Running Lead Manager*' on page 98.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, Bidders may also write to the BRLM or the Registrar to the Issue, in the manner provided below.

Disposal of investor grievances by our Company

Our Company has obtained authentication on the SCORES in compliance with the SEBI Circular no. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 (to the extent applicable) and any amendment thereto, in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last 3 Fiscals prior to the filing of this Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Red Herring Prospectus. Our Company estimates that the average time required by our Company and/or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Meghana M P, as our Company Secretary and Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue related problems at the following address:

Address: Plot # V – 12 Industrial Estate,
Kumbalgodu, Bengaluru – Mysore Highway,
Bengaluru, Karnataka – 560074, India
Telephone: 080-29547792
E-mail: complianceofficer@pacedigitek.com

For further information, see '*General Information-Company Secretary and Compliance Officer*' on page 97.

Further, our Board has also constituted the Stakeholders' Relationship Committee comprising of Om Prakash Mishra as Chairperson, and Prabhakar Reddy Patil and Rajiv Maddisetty as members, to review and redress shareholder and investor grievances. For further information, see '*Our Management – Stakeholders' Relationship Committee*' on page 341.

Disposal of investor grievances by listed Group Companies and Subsidiaries

As on the date of this Red Herring Prospectus, none of our Subsidiaries and Group Companies are listed on any stock exchange, and, therefore, there are no investor complaints pending against them.

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

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

SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares issued and Allotted in the Issue will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of this Red Herring Prospectus and the Prospectus, the Abridged Prospectus, the Bid-cum-Application Form, the Revision Form, the CAN, the Abridged Prospectus and other terms and conditions as maybe incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating the issue of capital and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI and /or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and /or regulatory authority while granting approval for the Issue.

The Issue

The Issue is a fresh issue by our Company. Expenses for the Issue shall be borne by our Company in the manner specified in the section titled '*Objects of the Issue – Issue Related Expenses*' on page 162.

Ranking of the Equity Shares

The Equity Shares being Allotted in the Issue will be subject to the provisions of the Companies Act 2013, the Memorandum of Association, the Articles of Association, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA and SCRR and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company. The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see '*Description of Equity Shares and Main Provisions of the Articles of Association*' on page 547.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment in this Issue will be received by the Allottees, for the entire year, in accordance with applicable law. For more information, see '*Dividend Policy*' and '*Description of Equity Shares and Main Provisions of the Articles of Association*' on pages 360 and 547, respectively.

Face Value, Price Band and Issue Price

The face value of each Equity Share is ₹ 2, and the Issue Price is ₹ [●] per Equity Share. At any given point of time there will be only 1 denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size in the Issue will be decided by our Company, in consultation with the BRLM and shall be published at least 2 Working Days prior to the Bid/ Issue Opening Date, advertised in all editions of the Business Standard (a widely circulated English national daily newspaper), all editions of Business Standard (a widely circulated Hindi national daily newspaper) and regional edition of Vishwavani (a widely circulated Kannada regional daily newspaper, Kannada being the regional language in Karnataka where our Registered Office is located), at least 2 Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges. The Issue Price shall be determined by our Company, in consultation with the BRLM after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosures and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI Listing Regulations, our Memorandum of Association and the Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see '*Description of Equity Shares and Main Provisions of Articles of Association*' on page 547.

Joint Holders

Subject to the provisions contained in the Articles of Association of our Company, where 2 or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, and, the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through this Red Herring Prospectus can be applied for in the dematerialised form only. In this context, the following agreements have been signed among our Company, the respective Depositories, and the Registrar to the Issue:

- Tripartite Agreement dated March 17, 2025 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 17, 2025 between CDSL, our Company and Registrar to the Issue.

Market Lot and Trading Lot

Since trading of the Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is 1 Equity Share. Allotment in this Issue will be only in electronic form in multiples of 1 Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see '*Issue Procedure*' on page 520.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Mumbai, India.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, and rules framed thereunder read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Sole Bidder, or the First Bidder along with other joint Bidders, may nominate any 1 person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination/ cancel nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no requirement to make a separate nomination with our Company. Nominations registered with respective depository participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective depository participant.

Bid/Issue Programme

ANCHOR INVESTOR BIDDING DATE	Thursday, September 25, 2025
BID/ ISSUE OPENS ON	Friday, September 26, 2025
BID/ ISSUE CLOSES ON	Tuesday, September 30, 2025 [^]

[^]UPI mandate end time and date shall be at 5:00 pm on Bid/ Issue Closing Date.

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

Event	Indicative Date
Bid/ Issue Closing Date	Tuesday, September 30, 2025
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Wednesday, October 1, 2025
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about Friday, October 3, 2025
Credit of the Equity Shares to depository accounts of Allottees	On or about Friday, October 3, 2025
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Monday, October 6, 2025

**(i) 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 for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/withdrawal/deletion is placed in the Stock Exchanges bidding platform*

until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), and the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the different amount (i.e., the blocked amount less the Bid Amount) shall be instantly revoked and the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding three Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI RTA Master Circular (to the extent applicable), in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The above timetable is indicative and does not constitute any obligation on our Company or the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 3 Working Days of the Bid/ Issue Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

The Issue Procedure is subject to change based on any revised SEBI circulars that are issued or are effective or become applicable, after filing of this Red Herring Prospectus.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Issue Period (except the Bid/ Issue Closing Date)	
Submission and revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/ Issue Closing Date*	
Submission of electronic applications (Online ASBA through 3-in-1 accounts) - For Retail Individual Bidders and Eligible Employees	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic applications (Bank ASBA through Online channels like internet banking, mobile banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (Syndicate non-retail, non-individual applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (Syndicate non-retail, non-individual applications where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ revision/cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Bidders categories [#]	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Issue Closing Date
Upward or downward revision of Bids or cancellation of Bids by Retail Individual Bidders and Eligible Employees	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Issue Closing Date

* UPI mandate end time and date shall be at 5:00 pm on Bid/ Issue Closing Date.

[#] QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

- 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Issue Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders and Eligible Employees after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Due to limitation of the time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Issue Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Issue Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under the Issue. Bids and any revision in Bids will only be accepted on Working Days. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise.

Our Company, with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, provide that the cap of the Price Band shall be at least 105% of the Floor Price. Floor Price shall not be less than the face value of the Equity Shares.

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

Minimum Subscription

In case our Company does not receive the minimum subscription of 90% of the Issue portion through Issue Document on the date of closure of the Issue; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the stock exchanges for the securities so issued under the issue document, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI ICDR Master Circular to the extent applicable. If there is a delay beyond the prescribed time, our Company, and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case

of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

In the event of achieving aforesaid minimum subscription, however, there is under-subscription in achieving the total Issue size, the Equity Shares will be Allotted in the following order:

- a) such number of equity shares will be first Allotted by our Company such that 90% of the Issue portion is subscribed; and
- b) once Equity Shares have been allotted as per (a), such number of Equity Shares will be allotted by our Company towards the balance 10% of the Issue portion.

Arrangement for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be 1 Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Issue.

Restrictions on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue capital of our Company, minimum Promoter's contribution and the Anchor Investor lock-in and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of shares / debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see '*Description of Equity Shares and Main Provisions of the Articles of Association*' on page 547.

Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 29 of the Companies Act, Allotment of Equity Shares to successful Bidders will only be in the dematerialised form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialised segment of the Stock Exchanges.

Authority for the Issue

The Issue has been authorised by our Shareholders pursuant to a special resolution dated February 1, 2025 and a resolution of our Board dated February 1, 2025.

The Draft Red Herring Prospectus was approved by our Board pursuant to its resolution dated March 27, 2025. This Red Herring Prospectus was approved by our Board pursuant to its resolution dated September 19, 2025.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time after the Bid/Issue Closing Date but before Allotment. In such an event, our Company will issue a public notice within two days from the Bid/ Issue Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, will instruct the SCSBs or the Sponsor Banks, as the case may be, to unblock the bank accounts of the ASBA Bidders within one Working Day from the day of receipt of such instruction and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, our Company will file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within 2 Working Days of the Bid/ Issue Closing Date or such other time period as prescribed under applicable law.

ISSUE PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (**General Information Document**) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI through the UPI Circulars has introduced an alternate payment mechanism using Unified Payments Interface (**UPI**) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by UPI Bidders through intermediaries from January 1, 2019. The UPI Mechanism for UPI Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (**UPI Phase I**).*

*With effect from July 1, 2019, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with Circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 for applications by UPI Bidders through Designated Intermediaries (other than SCSBs), as superseded by SEBI ICDR Master Circular (to the extent applicable), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (**UPI Phase II**). Subsequently, however, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as superseded by SEBI ICDR Master Circular, extended the timeline for implementation of UPI Phase II till further notice. However, given the uncertainty due to the COVID-19, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as superseded by SEBI ICDR Master Circular (to the extent applicable), SEBI decided to continue with the UPI Phase II till further notice. Thereafter, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (**UPI Phase III**). The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any further circulars, clarification or notification issued by the SEBI from time to time.*

The SEBI RTA Master Circular have introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars (to the extent applicable) are deemed to form part of this Red Herring Prospectus. Additionally, pursuant to the SEBI ICDR Master Circular, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The SEBI ICDR Master Circular has consolidated and rescinded some of the aforementioned circulars, to the extent they relate to the SEBI ICDR Regulations, and also prescribed certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of the SEBI ICDR Master Circular are deemed to form part of this Red Herring Prospectus.

*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 RTA Master Circular (to the extent applicable) and SEBI ICDR Master Circular (to the extent applicable).*

SEBI through its circular no. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/5 dated May 24, 2024 (**AV Circular**) read with SEBI ICDR Master Circular has introduced the disclosure of audio-visual presentation of disclosures made in offer documents. Pursuant to the AV Circular, investors are advised not to rely on any other document, content or information provided in respect to the public issue on the internet/online websites/social media platforms/micro-blogging platforms by influencers. Further, investors are advised to rely only on the information contained in the offer documents and pre-Issue and Price Band advertisement for making investment decision.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) 1/3rd of such portion shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) 2/3rd of such portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Net Issue 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 Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to applicable laws. Under-subscription, if any, in the QIB Portion, will not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023, read with subsequent circulars issued in relation thereto.

Phased implementation of UPI

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by UPI Bidders through intermediaries with the objective to reduce the time duration from public issue closure to listing from 6 Working Days to up to 3

Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in 3 phases in the following manner:

- a) **Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of 5 main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RII also had the option to submit the ASBA Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be 6 Working Days.
- b) **Phase II:** This phase has become applicable from July 1, 2019. SEBI through its Circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Further, SEBI through its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the physical ASBA Form by an RII through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be 6 Working Days during this phase.
- c) **Phase III:** Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (**T+3 Circular**). The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI 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 Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the applicable law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Issue BRLM will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The Issue will be made under UPI Phase III of the UPI Circular.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders using the UPI.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public issues where the application amount is up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- i. a Syndicate Member;
- ii. a stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

- iii. a Depository Participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least 1 day prior to the Bid/Issue Opening Date.

For Anchor Investors, the Anchor Investor the Bid cum Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. UPI Bidders shall Bid in the Issue through the UPI Mechanism. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

All ASBA Bidders must provide either (i) bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Form that does not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Retail Individual Investors submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Retail Individual Investors with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

For all IPOs opening on or after September 1, 2022, by the 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 shall be applicable for all categories of investors viz. QIBs, Non-Institutional Investors and Retail Individual Investors, and also for all modes through which the applications are processed.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA form in the manner below:

- a. RIBs (other than the UPI Bidders using the UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- b. UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

- c. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	Blue
Anchor Investors	White
Eligible Employees bidding in the Employee Reservation Portion	Pink

* Excluding electronic Bid cum Application Forms

Notes:

(1) Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLM.

The Equity Shares offered in the Issue have not been and will not be registered, listed, or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offer and sales occur.

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges.

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

Subsequently, for ASBA Forms (other than UPI Bidders using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate a request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Issue shall provide the audit trail to the BRLM for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank on a continuous basis.

In accordance with BSE Circular no: 20220803-40 and NSE Circular no: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5.00 p.m. on the Bid/Issue Closing Date (**Cut-Off Time**). Accordingly, UPI Bidders Bidding using the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send alerts as specified in SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI ICDR Master Circular (to the extent applicable).

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI ICDR Master Circular (to the extent applicable).

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

ELECTRONIC REGISTRATION OF BIDS

1. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.
2. On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges as disclosed in this Red Herring Prospectus.
3. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5:00 pm on the Bid/ Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

Participation by the Promoter, the members of our Promoter Group, the BRLM, associates and affiliates of the BRLM and the Syndicate Member and the persons related to the Promoters, the members of our Promoter Group, BRLM and the Syndicate Member

The BRLM and the Syndicate Member 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 BRLM and the Syndicate Member may purchase Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLM or pension funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM, neither the BRLM nor its respective associates can apply in the Issue under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an 'associate of the Lead Manager' if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

Further, the Promoters and the members of our Promoter Group shall not participate by applying for Equity Shares in the Issue, except in accordance with the applicable law. Furthermore, persons related to the Promoters and the members of our Promoter Group shall not apply in the Issue under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or the members of our Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or the members of our Promoter Group of our Company.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations and in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open 1 Working Day before the Bid/Issue Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.
5. Our Company, in consultation with the BRLM, may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
 - a. maximum of 2 Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;
 - b. minimum of 2 and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
 - c. in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of 5 such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Issue.

9. 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 90 days from the date of Allotment.
10. Neither the BRLM or any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies or family offices which are associate of the BRLM or pension funds sponsored by entities which are associates of the BRLM nor any 'person related to the Promoters or the members of our Promoter Group' shall apply in the Issue under the Anchor Investor Portion.
11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
12. For more information, see the General Information Document.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, in consultation with BRLM reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds, exchange traded fund sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through the UPI Mechanism) to block their Non-Resident External Accounts (**NRE Account**), or Foreign Currency Non-Resident Accounts (**FCNR Account**), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through the UPI Mechanism) to block their Non-Resident Ordinary (**NRO**) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Regulations.

Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/NRO accounts. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

For details of restrictions on investment by NRIs, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 545.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: 'Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta'. Bids by HUFs will be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-Issue Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be reclassified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLM, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for Issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

1. such offshore derivative instruments are issued only by persons registered as Category I FPIs;
2. such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
3. such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
4. such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (1) to (4)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager (MIM Structure) structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;

- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned 7 structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

For details of investment by FPIs, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 545. Participation of FPIs in the Issue shall be subject to the FEMA Rules.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, (**SEBI AIF Regulations**) prescribe, amongst others, the investment restrictions on AIFs. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations, *inter alia* prescribe the investment restrictions on FVCIs registered with SEBI.

The holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. Further, FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings. Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. However, large value funds for accredited investors of Category I AIFs and Category II AIFs may invest up to 50% of the investible funds in an investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. Participation of VCFs, AIFs or FVCIs in the Issue shall be subject to the FEMA Rules, amended from time to time.

All Non-Resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (**Banking Regulation Act**), and Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Bids by banking Companies should not exceed the investment limits prescribed for them under the applicable laws.

Bids by SCSBs

SCSBs participating in the Issue 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 BRLM, reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under Regulation 9 the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (**IRDA Investment Regulations**), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid-cum Application Form. Failing this, our Company, in consultation with BRLM, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association

and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with BRLM 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 BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLM, may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserve the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company and the BRLM is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 this Red Herring Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of 3 Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM is cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus, this Red Herring Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Issue and Price Band Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing this Red Herring Prospectus with the RoC, publish a pre-Issue and price band advertisement, in the form prescribed by the SEBI ICDR Regulations, all editions of the Business Standard, an English language national daily with wide circulation, all editions of Business Standard, a Hindi language national daily with wide circulation, and all edition of Vishwavani a Kannada language daily newspaper (Kannada being the regional language of Bengaluru, Karnataka, where our Registered Office is located). Our Company shall, in the pre-Issue and price band advertisement state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Issue, before 9.00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9.00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9.00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Issue, following the receipt of final listing and trading approval from all the Stock Exchanges.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company intends to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Issue Price, but prior to the filing of the Prospectus. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Issue Price, Anchor Investor Issue Price, Issue 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/ Issue Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's:

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder bidding using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Bid cum Application Form;
5. UPI Bidders bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate members, Registered Brokers, RTA or CDP;
7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Issue;
8. If the first Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all Bidders other than UPI Bidders bidding using the UPI Mechanism);

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
10. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
12. UPI Bidders bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
13. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the link available on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> for SCSBs and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43> for mobile applications or at such other websites as may be prescribed by SEBI from time to time;
14. UPI Bidders who wish to Bid using the UPI Mechanism should submit their Bids with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the UPI Bidder's ASBA Account;
15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
16. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. of the Working Day immediately after the Bid/Issue Closing Date;
17. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
18. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in 'active status'; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
19. Bidders should ensure that their PAN is linked with their Aadhaar and that they are in compliance with the notification dated February 13, 2020, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021 and September 17, 2021;

20. Ensure that the Demographic Details are updated, true and correct in all respects;
21. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
24. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
25. Ensure that Bids above ₹ 5,00,000 submitted by ASBA Bidders are uploaded only by the SCSBs;
26. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
28. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and
29. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 0.2 million (for Bids by Retail Individual Bidders);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account;
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
9. If you are a UPI Bidder using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
10. Anchor Investors should not Bid through the ASBA process;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
18. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
19. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for more Equity Shares than what is specified by respective Stock Exchange for each category;
21. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Issue Closing Date;
22. Do not submit your Bid after 5.00 pm on the Bid/Issue Closing Date;
23. In case of ASBA Bidders (other than 3-in-1 Bids), the Syndicate Members shall ensure that they do not upload any Bids above ₹ 0.5 million;
24. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus;
25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIB may revise or withdraw their Bids on or before the Bid/Issue Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are a UPI Bidder using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;
27. If you are a UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;

28. Do not Bid if you are an OCB;
29. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website are liable to be rejected;
30. Do not submit the Bid cum Application Forms to any non-SCSB bank; and
31. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidders using the UPI Mechanism).

For helpline details of the Book Running Lead Manager pursuant to the SEBI ICDR Master Circular (to the extent applicable), see '*General Information - Book Running Lead Manager*' on page 98.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

In case of any pre-Issue or post Issue related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Secretary and Compliance Officer and the Registrar, see '*General Information*' on page 98. For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;
7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Bids submitted without the signature of the First Bidder or sole Bidder;
9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals; and
13. Bids accompanied by stock invest, money order, postal order or cash.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer, and the Registrar to the Issue. For details of the Company Secretary and Compliance Officer, and the Registrar to the Issue, see 'General Information' on page 96.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Issue through the Issue document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Issue to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The allotment to each Non-Institutional Investors shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for Non-Institutional Investors with an application size of more than ₹ 0.20 million and up to ₹ 1 million, and (ii) two-third of the portion available to Non- Institutional Bidders shall be reserved for Non-Institutional Investors with application size of more than ₹ 1 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

- i. In case of resident Anchor Investors: 'PACE DIGITEK LIMITED – ANCHOR RESIDENT ACCOUNT'
- ii. In case of Non-Resident Anchor Investors: 'PACE DIGITEK LIMITED – ANCHOR NON-RESIDENT ACCOUNT'

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 17, 2025, among NSDL, our Company and the Registrar to the Issue.
- Tripartite Agreement dated March 17, 2025, among CDSL, our Company and Registrar to the Issue.

Undertakings by our Company

Our Company undertakes the following:

1. That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within 3 Working Days of the Bid/Issue Closing Date or such other time as may be prescribed;
3. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within 2 days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue and Price Band advertisement was published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
6. That if our Company, in consultation with the BRLM, withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft issue document with SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter;
7. Minimum Promoters' Contribution shall be brought in advance before the Bid/Issue Opening Date;
8. That adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;
9. No further Issue of Equity Shares shall be made until the Equity Shares issued through this Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc; and
10. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period.

Utilisation of Issue Proceeds

Our Board confirm that all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act and the details of all monies utilised out of the Issue shall be disclosed, and continued to be disclosed till the time any part of the Issue proceeds remain unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised. Details of all monies unutilised, shall be disclosed under an appropriate head in the balance sheet of our Company indicating the from in which such unutilised monies have been invested.

The Company specifically confirm and declare that all monies received out of the Issue shall be transferred to a separate bank account other than the bank account referred to in sub-section 3 of Section 40 of the Companies Act, 2013.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act which is reproduced below:

‘Any person who –

- (i) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (ii) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (iii) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.’*

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than 6 months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to 3 times such amount (provided that where the fraud involves public interest, such term shall not be less than 3 years). Further, where the fraud involves an amount less than ₹ 1 million or 1% the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to 5 years or with fine which may extend to ₹ 5 million or with both.

ISSUE STRUCTURE

Initial public offering of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 8,191.48 million by our Company. The Issue is being made through the Book Building Process.

The Issue comprises the Net Issue of up to [●] Equity Shares and Employee Reservation Portion of up to [●]* Equity Shares aggregating up to ₹ 20.00 million, constituting [●]% of our post-Issue paid-up Equity Share capital. The Issue and the Net Issue shall constitute [●]% and [●]% of our post-Issue paid-up Equity Share capital, respectively.

**A discount of up to [●]% of the Issue Price (equivalent of ₹ [●] per Equity Share) to the Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which shall be announced at least 2 Working Days prior to the Bid /Issue Opening Date.*

The face value of Equity Shares is ₹ 2 each.

Particulars	Eligible Employees	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation^{*(2)}	Not more than [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue size available for Allotment/ allocation	The Employee Reservation Portion shall constitute up to [●]% of the post-Issue Equity Share capital of our Company	Not more than 50% of the Net Issue shall be available for allocation to QIBs. However, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not less than 15% of the Net Issue or the Issue less allocation to QIBs and Retail Individual Bidders will be available for allocation, out of which: i. one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and ii. two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants	Not less than 35% of the Net Issue or Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation

Particulars	Eligible Employees	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
			with application size of more than ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders	
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate[#] unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 0.20 million (net of Employee Discount). In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of the Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of the Employee Discount).	Proportionate as follows (excluding the Anchor Investor Portion): - Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and - Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor	The Allotment to each Non-Institutional Investor shall not be less than ₹ 0.20 million, subject to the availability of Equity Shares in Non-Institutional Investors' category, and the remaining Equity Shares, if any, shall be Allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see 'Issue Procedure' on page 520.

Particulars	Eligible Employees	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
		Allocation Price		
Mode of Bidding [^]	Only through the ASBA process (including the UPI Mechanism)	Only through the ASBA process (excluding the UPI Mechanism) except for Anchor Investors	Only through the ASBA process (including UPI Mechanism for Bids up to ₹ 0.50 million)	Only through the ASBA process (including the UPI Mechanism)
Minimum Bid	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 0.20 million	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 0.20 million	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ [●] million	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Issue (excluding the Anchor Investor Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Issue (excluding the QIB Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 0.20 million
Mode of Allotment	Compulsorily in dematerialized form			
Bid Lot	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ [●] million.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	A minimum of [●] Equity Shares and thereafter in multiples of 1 Equity Share		
Trading Lot	1 Equity Share	1 Equity Share		
Who can apply ⁽³⁾ ⁽⁴⁾⁽⁵⁾	Eligible Employees (such that the Bid Amount does not exceed ₹ 0.50 million)	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, Eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation,	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta) applying for Equity Shares such that the Bid amount does not exceed ₹ 0.20 million in value.

Particulars	Eligible Employees	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
		multilateral and bilateral development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 250.00 million, pension fund with minimum corpus of ₹250.00 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 in accordance with applicable law and National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies	SEBI	
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 in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank(s) through the UPI Mechanism (for UPI Bidders using the UPI Mechanism) that is specified in the ASBA Form at the time of submission of the ASBA Form.			

**Assuming full subscription in the Issue.*

The Employee Reservation Portion shall not exceed 5% of the post-Issue Equity Share capital of our Company. Eligible Employees Bidding in the Employee Reservation portion can Bid up to a Bid Amount of ₹ 0.50 million. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 0.20 million (net of Employee Discount). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount). Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Issue and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee

Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹ 0.20 million (net of Employee Discount) in the Employee Reservation Portion. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Issue. In case of under-subscription in the Net Issue, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

^SEBI through SEBI ICDR Master Circular, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, the Stock Exchanges shall, for all categories of investors viz. QIBs, Non-Institutional and Retail Individual Investors, and also for all modes through which the applications are processed, accept the ASBA applications in the electronic book building platform only with a mandatory confirmation on the application monies blocked.

- (1) Our Company in consultation with the BRLM, may 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 price at which allocation is being made to other Anchor Investors. For further details, see 'Issue Procedure' on page 520.*
- (2) Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Issue 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 Net Issue shall be Allotted on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders, out of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1.00 million, and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.*
- (3) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see 'Terms of the Issue' on page 513.*
- (4) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*
- (5) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Issue Price, shall be payable by the Anchor Investor pay-in date as mentioned in the CAN.*

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For details, see 'Terms of the Issue' on page 513.

Bids by FPIs with certain structures as described under 'Issue Procedure - Bids by FPIs' on page 528 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Share.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (**FDI**) through press notes and press releases.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (**Consolidated FDI Policy**), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

As per the Consolidated FDI Policy, FDI in companies engaged in manufacturing, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route in Telecom Infrastructure, so long as a company is not engaged in any business activity which falls under “Telecom Services”.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of, and in accordance with the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 which came into effect on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For details, see ‘*Issue Procedure*’ on page 520. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Issue Period.

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made. The Equity Shares have not been and will not be registered, listed or

otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, our Promoters, our Directors, and the BRLM are not liable for any amendments, modification, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for which do not exceed the applicable limits under laws and regulations.

**SECTION IX: DESCRIPTION OF EQUITY SHARES AND MAIN PROVISIONS OF THE
ARTICLES OF ASSOCIATION**

No material clause of the Articles of Association set out below has been left out from disclosure which may have a bearing on the Issue with respect to any investment decision or otherwise.

**THE COMPANIES ACT, 2013
THE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
PACE DIGITEK LIMITED**

The regulations contained in Table 'F' of the First Schedule to the Companies Act, 2013 and the exemptions (from time to time) granted, issued or notified by any governmental authority shall apply to the Company so far as they are applicable to a public company, and to the extent not inconsistent with these Articles.

1. Interpretations:

1.1. In the interpretation of these Articles, the following words and expressions shall have the meanings assigned hereunder, unless repugnant to the subject matter or context thereof:

Act	Means the Companies Act, 2013 and any statutory modification or re-enactment thereof for the time being in force and Companies Act, 1956 (to the extent not repealed/ not replaced by the Companies Act, 2013), as applicable.
Articles or these Articles	Means the articles of association of the Company, as amended from time to time.
Annual General Meeting	Means a general meeting of the members held in accordance with the provisions of Section 96 of the Act or any adjourned meeting thereof.
Auditors	Means and include those persons appointed as such for the time being by the Company or, where so permitted by Applicable Law, by its Board
Applicable Law	Means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, or mandatory standards as may be applicable from time to time.
Beneficial Owner	Means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996.
Board Meeting	Means a meeting of the Directors or a committee thereof, duly called and constituted.
Board or Board of Directors or the Board	Means the board of Directors for the time being of the Company
Chairperson	Shall mean the Person who acts as a chairperson of the Board of the Company
Committee	Means any committee of the Board of Directors of the Company formed as per the requirements of Act or for any other purpose as the Board may deem fit
Company or This Company	Means PACE Digitek Limited
Chief Executive Officer	Means an officer of a Company, who has been designated as such by the Company

Chief Financial Officer	Means a person appointed as the Chief Financial Officer of a Company
Company Secretary or Secretary	Means a company secretary as defined in clause (c) of sub-Section (1) of section 2 of the Company Secretaries Act, 1980 (56 of 1980) who is appointed by the Company to perform the functions of a company secretary under the Act
Debenture	Includes debenture-stock, bonds and any other debt securities of the Company, whether constituting a charge on the assets of the Company or not.
Depositories Act	Shall mean the Depositories Act, 1996 and includes any statutory modification or enactment thereof
Depository	Shall mean a Depository as defined in clause (e) sub-section (1) of section 2 of the Depositories Act, 1996 and includes a company formed and registered under the Companies Act, 1956 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.
Director	Means a director of the Company for the time being, appointed as such.
Dividend	Includes interim dividend.
Extraordinary General Meeting	Means an extraordinary general meeting of the Members duly called and constituted and any adjourned meeting thereof.
Financial Year	Means the same as in Section 2(41) of the Act
Free Reserves	Means such reserves which, as per the latest audited balance sheet of a company, are available for distribution as Dividend: Provided that— (i) any amount representing unrealized gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or (ii) any change in carrying amount of an asset or of a liability recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value, shall not be treated as free reserves
In writing or written	Means and include printing, typing, lithographing, computer mode and other modes of reproducing words in visible form
Independent Director	Means a Director fulfilling the criteria of independence and duly appointed as per Applicable Law.
Key Managerial Personnel	Means such persons as defined in Section 2(51) of Act
Managing Director	Means a Director who, by virtue of the Articles of the Company or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a Director occupying the position of managing Director, by whatever name called.
General Meeting	Means a meeting of Members of the Company.
Members	Member in relation to the Company, means- (a) the subscribers to the Memorandum of Association of the Company who shall be deemed to have agreed to become members of the company, and on its registration, shall be entered as member in its register of members, (b) every other person who agrees in writing to become a member of the Company and whose name is entered in the register of members of the Company; (c) every person holding shares in the Company and whose name is entered in as a Beneficial Owner in the records of a Depository.
Memorandum or Memorandum of Association	Means the memorandum of association of the Company, as amended from time to time.
Month	Means a calendar month

Ordinary Resolution	Means a resolution referred to in Section 114 of the Act.
Persons	Includes any artificial juridical person, corporations or such other entities as are entitled to hold property in their own name.
Postal Ballot	Means voting by post through postal papers distributed amongst eligible voters and shall include voting by electronic mode or any other mode as permitted under Applicable Law
Register of Beneficial Owners	Means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of electronic mode
Register of Members	Means the register of Members, including any foreign register which the Company may maintain pursuant to the Act and includes Register of Beneficial Owners.
Registrar	Means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated
Seal	Means the common seal, if any, adopted for the time being of the Company
Section	Means the relevant section of the Act; and shall, in case of any modification or re-enactment of the Act shall be deemed to refer to any corresponding provision of the Act as so modified or enacted. .
Securities	Means Shares, Debentures and/or such other securities as may be treated as securities under Applicable Law.
Shares	Means the shares into which the Share Capital of the Company is divided.
Share Capital or Capital	Means the share capital for the time being raised or authorized to be raised, for the purpose of the Company
Special Resolution	Means a resolution referred to in Section 114 of the Act.
These Presents	Means the Memorandum of Association and the Articles of Association of the Company.
Tribunal	Means the National Company Law Tribunal constituted under section 408 of the Act
Voting Right	Means the right of a Member of a Company to vote in any meeting of the Company
Written” or “in writing	means and includes the word printed, lithographed, represented in or reproduced in any mode in a visible form
Year	Means the Financial Year of the Company

- 1.2.** Public Limited Company: means as Company which –
- is not a private company
 - has a minimum paid up share capital, as may be prescribed:
- Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles
- 1.3.** Expressions not specifically defined in these Articles shall bear the same meaning as assigned to the them in the Act
- 1.4.** In the interpretation of these Articles,
- any reference to the singular shall include the plural and vice-versa; and
 - any references to the masculine, the feminine and the neuter shall include each other.

- 1.5.** The marginal notes hereto shall not affect the construction of these Articles.

Share Capital and Variation of rights:

Amount of Capital

- 2.** The Authorized Share Capital of the Company shall be such as may be specified from time to time in Clause V of the Memorandum of Association, with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes as permissible in Applicable Law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or

conditions as may be determined by the Board, and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions.

Increase of Capital by the Company

3. Subject to Applicable Law, the Board may, from time to time, increase the paid-up Share Capital by creation of new Shares. Such increase shall be of such aggregate amount and to be divided into such Shares of such respective amounts, as the resolution of the Board shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased Share Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the Board shall determine, and in particular, such Shares may be issued with a preferential or qualified right to dividends, or otherwise, or with a right to participate in some profits or assets of the Company, or with such differential or qualified right of voting at General Meetings of the Company, as permitted in terms of Section 47 of the Act or other Applicable Law.

New Capital part of the existing Capital

4. Except in so far as otherwise provided in the conditions of issue of Shares, any Capital raised by the creation of new Shares shall be considered as part of the existing Capital, and shall be subject to provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Issue of redeemable preference shares

5. Subject to the provisions of Section 55 of the Act and these Articles, the Company shall have the power to issue redeemable preference Shares liable to be redeemed at the option of the Company and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

Provisions applicable to any other Securities

6. The Board shall be entitled to issue, from time to time, subject to Applicable Law, any other Securities, including Securities convertible into Shares, exchangeable into Shares, or carrying a warrant, with or without any attached Securities, carrying such terms as to coupon, returns, repayment, servicing, as may be decided by the terms of such issue. Such Securities may be issued at premium or discount, and redeemed at premium or discount, as may be determined by the terms of the issuance: Provided that the Company shall not issue any Shares or Securities convertible into Shares at a discount.

Reduction of Capital

7. The Company may, subject to the provisions of Section 66 of the Act or any other Applicable Law for the time being in force, by way of Special Resolution reduce its Share Capital, any capital redemption reserve account or share premium account in any manner for the time being authorized by law.

Sub-division, consolidation and cancellation of Shares

8. Subject to the provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them, and the resolution where by 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 shall have some preference or special advantage as regards dividend or otherwise over or as compared with the others. Subject as aforesaid the Company in General Meeting may also cancel Shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Variation of rights

9. Whenever the Share Capital is divided into different types or classes of shares, all or any of the rights and privileges attached to each type or class may, subject to the provisions of Sections 48 of the Act, be varied with the consent in writing by holders of at least three-fourths of the issued Shares of the class or is confirmed by a Special Resolution passed at a separate Meeting of the holders of Shares of that class and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such class Meeting.

Further issue of Capital

10. Where at any time it is proposed to increase the subscribed Capital of the Company by allotment of further Shares, then:
 - 10.1. Such further Shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the Capital paid-up on those shares at the date.

- 10.2. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
- 10.3. 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 favor of any other person and the notice referred to in Article 10.2 hereof shall contain a statement of this right.
- 10.4. After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the interest of the Company.
11. Notwithstanding anything contained in the Article 10, the further Shares aforesaid may be offered in any manner whatsoever, to:
 - 11.1. employees under a scheme of employees' stock option scheme;
 - 11.2. to any persons on private placement or on preferential basis, whether or not those persons include the persons referred to Article 10, either for cash or for a consideration other than cash, if so decided by a Special Resolution, as per Applicable Law.;
12. Nothing contained in these Articles shall apply to the increase of the subscribed Capital of the Company caused by the exercise of an option attached to the Debenture issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company:

Provided that the terms of issue of such Debentures or the terms of such loans containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in general meeting.

Shares at the disposal of the Directors

13. Subject to the Applicable Law, the Securities of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, 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 to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the Capital of the Company or other Securities on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

Power to issue Shares outside India

14. Pursuant to the provisions of Applicable Law and subject to such approvals, permissions and sanctions as may be necessary from the Government of India, Reserve Bank of India and/or any other authorities or institutions as may be relevant (hereinafter collectively referred to as "**Appropriate Authorities**") and subject to such terms and conditions or such modifications thereto as may be prescribed by them in granting such approvals, permissions and sanctions, the Company will be entitled to issue and allot in the international capital markets, Equity Shares and/or any instruments or securities (including Global Depository Receipts) representing Equity Shares, any such instruments or securities being either with or without detachable Warrants attached thereto entitling the Warrant holder to Equity Shares/instruments or Securities (including Global Depository Receipts) representing Equity Shares, (hereinafter collectively referred to as "the Securities") to be subscribed to in foreign currency / currencies by foreign investors (whether individuals and/or bodies corporate and/or institutions and whether shareholders of the Company or not) for an amount, inclusive of such premium as may be determined by the Board. Such issue and allotment to be made on such occasion or occasions, at such value or values, or at a premium and in such form and in manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with Lead Manager and/or Underwriters and/or Legal or other Advisors, or as may be prescribed by the Appropriate Authorities while granting their approvals, permissions and sanctions as aforesaid which the Board be and is hereby authorized to accept at its sole discretion. The provisions of this Article shall extend to allow the Board to issue such foreign Securities, in such manner as may be permitted by Applicable Law.

Acceptance of Shares

15. Any application signed by or on behalf of an applicant, for Shares in the Company, followed by an allotment of any Share shall be an acceptance of shares within the meaning of these Articles and every person who,

does or otherwise accepts Shares and whose name is on the Register of Members shall for the purpose of these Articles, be a member.

Deposit and call to be a debt payable immediately

16. The money (if any) which the Board shall, on the allotment of any Share being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members

17. Every member, or his heirs, executors or administrators shall pay to the Company the portion of the Capital represented by his Share(s) which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

Shares not to be held in trust

18. Except as required by law, no person shall be recognized by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

The first named joint holder deemed to be sole holder

19. If any Share stands in the names of two or more persons, the person first named in the register shall, as regards receipt of dividends or bonus or service of notice and all or any earlier matter connected with the Company, except voting at meetings, be deemed the sole holder thereof, but the joint holders of a Share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such Shares for all incidents thereof according to the Company's regulations.

Register of Members and index

20. The Company shall maintain a Register of Members and index in accordance with Section 88 of the Act. The details of shares held in physical or dematerialized forms may be maintained in a media as may be permitted by law including in any form of electronic media.
21. A member, or other Security holder or Beneficial Owner may make inspection of Register of Members and annual return. Any person other than the Member or Debenture holder or Beneficial Owner of the Company shall be allowed to make inspection of the Register of Members and annual return on payment of Rs. 50 or such higher amount as permitted by Applicable Law as the Board may determine, for each inspection. Inspection may be made during business hours of the Company during such time, not being less than 2 hours on any day, as may be fixed by the Company Secretary from time to time.
22. Such person, as referred to in Article 21 above, may be allowed to make copies of the Register of Members or any other register maintained by the Company and annual return, and require a copy of any specific extract therein, on payment of Rs. 10 for each page, or such higher amount as permitted under Applicable Law.

Foreign Registers

23. The Company may also keep a foreign register in accordance with Section 88 of the Act containing the names and particulars of the Members, Debenture holders, other Security holders or Beneficial Owners residing outside India; and the Board may (subject to the provisions of aforesaid Section) make and vary such regulations as it may think fit with respect to any such register.

LIEN

Company to have lien on Shares

24. The Company shall have a first and paramount lien upon all the Shares/ Debentures/Securities (other than fully paid-up Shares/Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures/Securities and no equitable interest in any Shares shall be created except upon the footing, and upon the condition that this Article will have full effect and any such lien shall extend to all dividends and bonuses from time to time declared in respect of such

shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares/Debentures/Securities:

Provided that, fully paid shares shall be free from all lien and that in case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

As to enforcing lien by sale

25. For the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their member to execute a transfer thereof on behalf of and in the name of such member. The purchaser of such transferred Shares shall be registered as the holder of the Shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
26. No sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Application of proceeds of sale

27. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to the persons entitled to the Shares at the date of the sale.

CALL ON SHARES

Directors may make calls

28. The Board of Directors may, from time to time and subject to the terms on which Shares have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, or otherwise as permitted by Applicable Law make such call as it thinks fit upon the Members in respect of all moneys unpaid on the Shares held by them respectively, and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable in instalments.

Notice of calls

29. Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.
30. A call may be revoked or postponed at the discretion of the Board.

Calls to date from resolution

31. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed as provided herein and may be required to be paid by instalments.

Directors may extend time

32. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, but no member shall be entitled to such extension save as a member of grace and favor.

Calls to carry interest

33. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such percentage as the Board of Directors may determine. Nothing in this Article shall render it obligatory for the Board of Directors to demand or recover any interest from any such member.
34. The Board shall be at liberty to waive payment of any such interest wholly or in part.

Sums deemed to be calls

35. Any sum, which may 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 the same

becomes payable and in case of non-payment, 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.

Proof on trial of suit for money due on Shares

36. At the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member, in respect of whose Shares, the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of such money is sought to be recovered, that the resolution making the call is duly recorded in the Minutes Book, and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

Partial payment not to preclude forfeiture

37. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in anticipation of call may carry interest

38. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or Dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.
39. The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debenture or other Securities of the Company.

TRANSFER AND TRANSMISSION OF SHARES

Register of transfers

40. The Company shall keep a register to be called the 'Register of Transfers', and therein shall be fairly and directly entered particulars of every transfer or transmission of any Share. Entries in the register should be authenticated by the secretary of the Company or by any other person authorized by the Board for the purpose, by appending his signature to each entry.

Instruments of transfer

41. The instrument of transfer shall be in writing and duly stamped and in such form as may be prescribed under the Act from time to time and all provisions of Section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and registration thereof.

To be executed by transferor and transferee

42. Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such Shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. The Board shall not issue or register a transfer of any Share in favor of a minor (except in cases when they are fully paid up).
43. Application for the registration of the transfer of a Share may be made either by the transferee or the transferor. Where an application is made by the transferor and relates to partly paid up shares, no registration shall be effected unless the Company gives notice of the application to the transferee subject to the provisions of these Articles, Section 56 of the Act and other Applicable Law, and the transferee gives no objection to the transfer within two weeks from the receipt of the notice. In the event of non-receipt of any objection from the transferee within the period of two weeks as aforesaid, the Company shall enter in the

Register the name of transferee in the same manner and subject to the same conditions as it the application for registration of the transfer was made by the transferee.

The Board may, subject to the right of appeal conferred by section 58 decline to register --

- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.

On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transfer books when closed

- 44. Subject to the applicable provisions of the Act, SEBI Regulations and these Articles, the Board shall have to close the transfer books, the Register of Members, Register of Debenture holders or the Register of other Security holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may deem expedient.

Directors may refuse to register transfer

- 45. Subject to the provisions of the Act and other Applicable Law, the Board may at its own, discretion, decline to register or acknowledge any transfer of Securities, whether fully paid or not (notwithstanding that the proposed transferee be already a Member), provided in such cases it shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer: Provided that registration of transfer shall not be refused on the ground of the transferor being, either alone or jointly with any person or persons, indebted to the Company on any account whatsoever except where the Company has lien on the Securities.

Directors to recognize Beneficial Owners of securities

- 46. Notwithstanding anything contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.
- 47. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its Securities held by a Depository.
- 48. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognize any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) 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 shall have express or implied notice thereof.

Nomination

- 49. Every holder of Shares in, or Debentures of the Company may, at any time, nominate, in the manner prescribed under the Act, a person to whom his Shares in or Debentures of the Company shall vest in the event of death of such holder.
- 50. Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.
- 51. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.

52. Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.

Transmission in the name of nominee

53. Any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any Security holder, or by any lawful means other than by a transfer in accordance with these Presents, may with the consent of the Board of Directors and subject as hereinafter provided, elect, either:
- 53.1. to be registered himself as holder of the Securities; or
- 53.2. to make such transfer of the Securities as the deceased Security holder could have made.

Provided nevertheless that it shall be lawful for the Directors in their absolute discretion to dispense with the production of any evidence including any legal representation upon such terms as to indemnity or otherwise as the Directors may deem fit.

54. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the Share before his death or insolvency.
55. If the nominee, so becoming entitled, elects himself to be registered as holder of the Securities, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased Security holder or proof of lunacy, bankruptcy or insolvency of the Security holder, as the case may be, and the certificate(s) of Securities held by such Security holder in the Company.
56. If the person aforesaid shall elect to transfer the Securities, he shall testify his election by executing a transfer of the Securities.
57. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Security holder had not occurred and the notice or transfer were a transfer signed by that Member.
58. A nominee on becoming entitled to Securities by reason of the death of the holder or joint holders shall be entitled to the same Dividend or interest and other advantages to which he would be entitled if he were the registered holder such Securities, except that he shall not before being registered as holder of such Securities, be entitled in respect of them to exercise any right conferred on a Security holder in relation to meetings of the Company.

No transfer to minor, insolvent etc.

59. No transfer shall be made to a minor or person of unsound mind. However, in respect of fully paid up shares, Securities may be transferred in favor of a minor acting through legal guardian, in accordance with the provisions of Applicable Law.

Transfer to be presented with evidence of title

60. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

Company not liable for disregard of a notice in prohibiting registration of transfer

61. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effort to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been

entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board of Directors shall so think fit.

FORFEITURE OF SHARE

If call or installment not paid notice may be given

62. If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or installment remains unpaid, serve notice on such Member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Form of notice

63. The notice shall:
- 63.1. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- 63.2. shall detail the amount which is due and payable on the Shares and shall state that in the event of non-payment at or before the time appointed, the Shares will be liable to be forfeited.

If notice not complied with, Shares may be forfeited

64. If the requisitions of any such notice as aforesaid be not complied with, any Shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Shares and not actually paid before the forfeiture.

Notice of forfeiture to a Member

65. When any Shares shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission to give such notice or to make any such entry as aforesaid.

Forfeited Share to become property of the Company

66. Any Share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as think fit.

Power to annul forfeiture

67. The Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Liability on forfeiture

68. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture of the payment, at such rate as the Board may determine and the Board may enforce the payment thereof, if it thinks fit. 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.

Effect of forfeiture

69. The forfeiture of a Share involves extinction, at the time of the forfeiture, of all interest 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 are expressly saved.

Evidence of forfeiture

70. A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company, and that certain Shares in the Company have 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 Shares.

Cancellation of Share certificate in respect of forfeited shares

71. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said Shares to the person or persons, entitled thereto as per the provisions herein.
- 71.1. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favor of the person to whom the Share is sold or disposed of.
- 71.2. The transferee shall thereupon be registered as the holder of the Share; and
- 71.3. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

These Articles to apply in case of any non-payment

72. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

73. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
74. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
75. 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 regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - (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 regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
76. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

Capitalisation of profits

77. The Company in General Meeting may, upon the recommendation of the Board, resolve:

- 77.1. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including capital redemption reserve account), or to the credit of the profit and loss account, otherwise available for distribution or securities premium account; and
- 77.2. that such sum be accordingly set free for distribution in the manner specified in 77.1 amongst the members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.
- 78. The sum aforesaid shall not be paid in cash but shall be applied, subject to applicable provisions contained herein, either in or towards:
 - 78.1. paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
 - 78.2. paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid; partly in the way specified in Article 78.1 and partly in that specified in Article 78.12;

The Board shall give effect to the resolution passed by the members of the Company in pursuance of this Article.

Whenever such a resolution as aforesaid shall have been passed, the Board shall—
make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and generally, do all such acts and things required to give effect thereto.

- 79. For the purpose of giving effect to any resolution under Articles 77 and 78, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient.

Buy-back of shares

- 80. Notwithstanding anything contained in these Articles but subject to the provisions of the Act and other Applicable Law as prescribed by Securities and Exchange Board of India (SEBI) or any other authority for the time being in force, the Company may purchase its own Shares or other specified Securities. The power conferred herein may be exercised by the Board, at any time and from time to time, where and to the extent permitted by Applicable Law, and shall be subject to such rules, applicable consent or approval as required.

General Meetings

- 81. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.
- 82. Every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situate.
- 83. All General Meetings other than annual general meeting shall be called extraordinary general meeting.
- 84. In the case of an Annual General Meeting, all businesses to be transacted at the meeting shall be deemed special, with the exception of business relating to:
 - a. the consideration of financial statements and the reports of the Board of Directors and Auditors;
 - b. the declaration of any Dividend;
 - c. the appointment of Directors in place of those retiring;
 - d. the appointment of, and the fixing of the remuneration of, the Auditors.

In case of any other meeting, all business shall be deemed special.

- 85. The Board may, whenever it thinks fit, call an Extraordinary General Meeting.

86. Where permitted or required by Applicable Law, Board may, instead of calling a meeting of any Members/ class of Members/ Debenture holders, seek their assent by Postal ballot, including e-voting. Such Postal ballot will comply with the provisions of Applicable Law in this behalf.
87. The intent of these Articles is that in respect of seeking the sense of the Members or Members of a class or any Security holders, the Company shall, subject to Applicable Law, be entitled to seek assent of Members, members of a class of Members or any holders of Securities using such use of contemporaneous methods of communication as is permitted by Applicable Law. A written resolution including consent obtained through electronic mode shall be deemed to be sanction provided by the Member, Member of a class or other Security holder by way of personal presence in a meeting.
88. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up Capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
89. Any meeting called as above by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

E-voting in case of General Meetings

90. Where the Company conducts General Meetings by way of e-voting, the Company shall follow the procedure laid down under the Act and Applicable Law.
91. Where Member has been allowed the option of voting through electronic mode as per Applicable Law, such Member, or Members, who have voted using the electronic facility, generally, shall be allowed to speak at a General Meeting, but shall not be allowed to vote again at the meeting.

Provided that voting may also be allowed to be case by way of post or any other mode which any Applicable Law may allow.

Notice of General Meetings

92. Subject to the Applicable Law, at least 21 clear days' notice of every General Meeting, specifying the day, date, place and hour of meeting, containing a statement of the business to be transacted thereat, shall be given, either in writing or through electronic mode, to every Member or legal representative of any deceased Member or the assignee of an insolvent Member, every Auditor(s) and Director of the Company.
93. A General Meeting may be called at a shorter notice if consented to by either by way of writing or any electronic mode by not less than 95% of the Members entitled to vote at such meeting.

Quorum at General Meeting

94. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business.
95. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
96. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or to such other day and at such other time and place as the Board may determine subject to Applicable Law and if at such adjourned meeting, a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called.

Chairperson at General Meetings

97. The Chairperson, if any, of the Board shall preside as Chairperson at every General Meeting of the Company.
98. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the Directors present shall elect one among themselves to be Chairperson of the General Meeting.

99. If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of themselves to be Chairperson of the General Meeting.
100. No business shall be discussed at any General Meeting except the election of a Chairperson, while the chair is vacant.

Adjournment of Meeting

101. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
102. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
103. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

Voting rights

104. No member shall be entitled to vote either personally or by proxy, at any General Meeting or Meeting of a class of shareholders 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, and has exercised any right of lien.
105. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:
- a. on a show of hands, every member present in person shall have one vote; and
 - b. on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity Share Capital of the Company.
 - c. A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.
106. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
107. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
108. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
109. 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 General Meeting shall be valid for all purposes.
110. Any such objection made in due time shall be referred to the Chairperson of the General Meeting, whose decision shall be final and conclusive.

Proxy

111. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote by a representative duly authorized in accordance with Section 113 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
112. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; and in default the instrument of proxy shall not be treated as valid.

113. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a body corporate, under the common seal of such corporate, if any, or be signed by an officer or any attorney duly authorized by it, and any committee or guardian may appoint such proxy. An instrument appointing a proxy shall be in the form as prescribed in terms of Section 105 of the Act.
114. A Member present by proxy shall be entitled to vote only on a poll, except where Applicable Law provides otherwise.
115. The proxy so appointed shall not have any right to speak at the General Meeting.
116. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
- Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Maintenance of records and Inspection of minutes of General Meeting by Members

117. Where permitted/required by Applicable Law, all records to be maintained by the Company may be kept in electronic form subject to the provisions of the Act and the conditions as laid down in the Applicable Law. Such records shall be kept open to inspection in the manner as permitted by the Act and Applicable Law. The term 'records' would mean any register, index, agreement, memorandum, minutes or any other document required by the Act and Applicable Law made there under to be kept by the Company.
118. The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
119. Any such minutes shall be evidence of the proceedings recorded therein.
120. The book containing the minutes of proceedings of General Meetings shall be kept at the registered office of the Company and shall be open during business hours, for such periods not being less than 2 hours on any day, as may be fixed by the Company Secretary from time to time, to the inspection of any Member without charge.
121. Any Member of the Company shall be entitled to a copy of minutes of the General Meeting on receipt of a specific request and at a fee of Rs. 10/- (Rupees Ten only) for each page, or such higher amount as the Board may determine, as permissible by Applicable Law.

Board of Directors

122. Until otherwise determined by a General Meeting and subject to provisions of the Act, the number of directors shall not be less than three or more than fifteen.

Following are the First Directors of the Company:

1. Mr. Venugopal Rao Maddisetty
2. Mrs. Maddisetty Padma

123. The Directors are not required to hold any qualification shares.
124. Composition of the Board shall be in accordance with the provisions of Section 149 of the Act and other Applicable Laws. Provided that where there are temporary gaps in meeting the requirements of Applicable Law pertaining to composition of Board of Directors, the remaining Directors shall (a) be entitled to transaction business for the purpose of attaining the required composition of the Board; and (b) be entitled to carry out such business as may be required in the best interest of the Company in the meantime.

Board's power to appoint Additional Directors

125. Subject to the provisions of Sections 149, 152 and 161 of the Act and Applicable Laws, 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 these Articles.

126. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

Nominee Directors

127. The Company shall, subject to the provisions of the Act and these Articles, be entitled to agree with any Person that he or it shall have the right to appoint his or its nominee on the Board, not being an Independent Director, upon such terms and conditions as the Company may deem fit.
128. Whenever the Company enters into the contract with any government, central, state or local, any bank or financial institution or any person or persons (hereinafter referred to as “**the appointer**”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Board shall have, subject to the provisions of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such director or directors shall not be liable to retire by rotation nor be required to hold any qualification shares. The directors may also agree that any such director or directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reason whatsoever. The directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any privileges and rights exercised and enjoyed by the directors of the Company including payment of remuneration and travelling expenses to such director or directors as may be agreed by the Company with the appointer.

Appointment of Alternate Directors

129. Subject to the provisions of Section 161 of the Act, the Board may appoint an Alternate Director to act for a Director (hereinafter called “**the Original Director**”) during his absence for a period of not less than three months from India. No person shall be appointed as an Alternate Director in place of an Independent Director unless he is qualified to be appointed as an Independent Director under the Act and Applicable Law. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director, and not to the Alternate Director.

For the purpose of absence in the Board meetings in terms of Section 167 (1) (b) of the Act, the period during which an Original Director has an Alternate Director appointed in his place, shall not be considered.

Board's power to fill casual vacancies

130. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

Independent Directors

131. Subject to the provisions of the Act and other Applicable Law, the Board or any other Committee as per the Act shall identify potential individuals for the purpose of appointment as Independent Director either from the date bank established under Section 150 of Act or otherwise.
132. The Board on receiving such recommendation shall consider the same and propose his appointment for approval at a General Meeting. The explanatory statement to the notice for such General Meeting shall provide all requisite details as required under the Act.
133. Any casual vacancy in the post of an Independent Director caused by way of removal, resignation, death, vacation of office under Section 167 of the Act and Applicable Law or these Articles, moval from Directorship pursuant to any court order or due to disqualification under Section 164 of Act shall be filled

by following the process laid down herein below and in accordance with the Applicable Law. No such casual vacancy shall prejudice the functioning of the Board during the intervening period.

134. Every Independent Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence.
135. The Company and Independent Directors are required to abide by the provisions specified in Schedule IV of the Act.
136. An Independent Director shall not be entitled to any stock option and may receive remuneration by way of sitting fee, reimbursement of expenses for participation in the Board and other meetings and also to such commission based on profits, as may, subject to provisions of Applicable Law, be approved by the Members.
137. An Independent Director shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.
138. The provisions relating to retirement of Directors by rotation shall not be applicable to appointment of Independent Directors.

Term of Office of Independent Director

139. Subject to Applicable Law, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a Company, but shall be eligible for reappointment for one more term on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.
140. No Independent Director shall hold office for more than 2 (two) consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of 3(three) years of ceasing to become an Independent Director provided that he shall not, during the said period of 3 (three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Retirement and rotation of Directors

141. At least two-thirds of the total number of Directors, excluding Independent Directors, will be the Directors who are liable to retire by rotation (hereinafter called "**the Rotational Directors**").
142. Subject to the provisions of the Act and these Articles, the managing Director and/or the whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation.
143. At every Annual General Meeting of the Company, one-third of the Rotational Directors, or if their number is not three or a multiple of three, then, the number nearest to one-third, shall retire from office.
144. A retiring Director shall be eligible for re-election.

Resignation of Directors

145. Subject to the provisions of Applicable Law, a Director may resign from his office by giving a notice in writing to the Company and Board shall take note of the same. The fact of such resignation shall be mentioned in the report of Directors laid in the immediately following Annual General Meeting by the Company.
146. A Managing Director or a Whole-time Director or any Executive Director who has any terms of employment with the Company shall not give any notice of resignation in breach of the conditions of employment as may be applicable, either to a Director specifically, or to employees of the Company generally. A nominee Director shall not give any notice of resignation except through the nominating person.
147. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later:

Provided that the Director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

Removal of Directors

148. Any Director of the Company, except the one appointed by the National Company Law Tribunal, may be removed by way of Ordinary Resolution before the expiry of his term of office, subject to the provisions of Section 169 of Act.

Remuneration of Directors

149. Subject to the provisions of Section 197 of the Act, a Director may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

Provided that where the Company takes a Directors' and Officers' Liability Insurance, specifically pertaining to a particular Director and/or officer, then the premium paid in respect of such insurance, for the period during which a Director and/or officer has been proved guilty, will be treated as part of remuneration paid to such Director and/or officer.

150. The Board or a relevant Committee constituted for this purpose shall seek to ensure that the remuneration paid 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.
151. The fees payable to a Director for attending the meetings of the Board or Committee thereof shall be such sum as may be decided by the Board of Directors from time to time within the maximum limit as prescribed under the Act and Applicable Law. Fee shall also be paid for attending any separate meeting of the Independent Directors of the Company in pursuance of any provision of the Act. Fee shall also be payable for participating in meetings through permissible electronic mode.
152. In addition to the remuneration payable pursuant to Section 197 of the Act, the Directors may be paid all conveyance, hotel and other expenses properly incurred by them:
- a. in attending and returning from meetings of the Board of Directors or any Committee thereof or general meetings of the Company; or
 - b. in connection with the business of the Company.

Directors may act notwithstanding any vacancies on Board

153. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by these Articles, the continuing Directors may act for the purpose of increasing the number of Directors to the minimum number fixed by these Articles or for summoning a General Meeting for the purpose increasing the number of Directors to such minimum number, but for no other purpose.

Vacation of office of Director

154. The office of a Director shall ipso facto be vacated:
- a. on the happening of any of the events as specified in Section 167 of the Act.
 - b. if a person is a Director of more than the number of Companies as specified in the Act at a time;
 - c. in the case of alternate Director, on return of the original Director in terms of Section 161 of the Act;
 - d. having been appointed as a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, he ceases to hold such office or other employment in that company;
 - e. if he is removed in pursuance of Section 169 of the Act;
 - f. any other disqualification that the Act for the time being in force may prescribe.

Notice of candidature for office of Directors except in certain cases

155. No person, not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some Member intending to propose him as a Director, has, not less than fourteen days before the General Meeting, left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office along with the requisite deposit of Rs. 1,00,000/- (Rupees One Lakh only) or such higher amount as the Board may determine, as permissible by Applicable Law.

156. Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.

Director may contract with the Company

157. Subject to such sanctions as required by Applicable Law, a Director or any related party as defined in Section 2 (76) of the Act or other Applicable Law may enter into any contract or any arrangement with the Company.
158. Unless so required by Applicable Law, no sanction shall, however, be necessary for any contracts with a related party entered into on arm's length basis. Where a contract complies with such conditions or indicia of arms' length contracts as laid down in a policy on related party transactions framed by the Board in accordance with the Applicable Law, the contract shall be deemed to be a contract entered into on arm's length basis.

Disclosure of interest

159. A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other body corporate where the Director of the Company either himself or in association with any other Director holds or holds less than two per cent of the shareholding in such other body corporate.

Interested Director not to participate or vote in Board's proceeding

160. Subject to the provisions of Section 184 of the Act, no Director shall as Director take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void.

Register of contracts in which Directors are interested

161. The Company shall keep a register of contracts or arrangements in which directors are interested in accordance with the provisions of Act. Such register shall be kept at the registered office of the Company and shall be preserved permanently be kept in the custody of the Company Secretary of the Company or any other person authorized by the Board for the purpose.
162. Such a Register shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be provided to a Member of the Company on his request, within seven days from the date on which such request is made and upon the payment of Rs. 10 (Rupees Ten only) per page, as such higher amount as may be laid by the Board, as permitted by Applicable Law.

Register of Directors and Key Managerial Personnel and their shareholding

163. The Company shall keep at its registered office a register containing the particulars of its Directors and Key Managerial Personnel, which shall include the details of Securities held by each of them in the Company or its holding, subsidiary, subsidiary of Company's holding Company or associate companies in accordance to Section 170 of the Act and Applicable Law.

Miscellaneous

164. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

Proceedings of the Board

Meetings of Board

165. The Directors may meet together as a Board from time to time for the conduct of the business of the Company, adjourn or otherwise regulate its meetings, as it thinks fit.

166. A meeting of the Board shall be called by giving not less than seven days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic mode.
167. The notice of the meeting shall inform the Directors regarding the option available to them to participate through electronic mode, and shall provide all the necessary information to enable the Directors to participate through such electronic mode.
168. Certain matters, as may be specified under the Applicable Law from time to time, shall not be dealt with in a meeting of the Board through video conferencing or other audio visual means.
169. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting, or 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.
170. The Board shall so meet at least once in every four months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.
171. Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in a book to be kept for that purpose. The names of Directors who have participated in Board meetings through electronic mode shall be entered and initialled by the Company Secretary, stating the manner in which the Director so participated

Meetings of Board by Video/audio-visual conferencing

172. Subject to the provisions of the Act and Applicable Law, the Directors may participate in meetings of the Board otherwise through physical presence, electronic mode as the Board may from time to time decide and Directors shall be allowed to participate from multiple locations through modern communication equipment for ascertaining the views of such Directors who have indicated their willingness to participate by such electronic mode, as the case may be.

Regulation for meeting through electronic mode

173. The Board may, by way of a resolution passed at a meeting, decide the venues where arrangements may be made by the Company, at the Company's cost, for participation in Board meetings through electronic mode, as the case may be, in accordance to the provisions of the Act and Applicable Law. In case of a place other than such places where Company makes arrangements as above, the Chairperson may decline the right of a Director to participate through electronic mode in view of concerns of security, sensitivity and confidentiality of Board proceedings. Where the Chairperson so permits a Director to participate from a place other than the designated places where the Company has made the arrangements, the security and confidentiality of the Board proceedings shall be the responsibility of the Director so participating, and the cost and expense in such participation, where agreed to by the Chairperson, may be reimbursed by the Company.
174. Subject as aforesaid, the conduct of the Board meeting where a Director participates through electronic mode shall be in the manner as laid down in Applicable Law.
175. The rules and regulations for the conduct of the meetings of the Board, including for matters such as quorum, notices for meeting and agenda, as contained in these Articles, in the Act and/or Applicable Law, shall apply to meetings conducted through electronic mode, as the case may be.
176. Upon the discussions being held by electronic mode, as the case may be, the Chairperson or the Company Secretary shall record the deliberations and get confirmed the views expressed, pursuant to circulation of the draft minutes of the meeting to all Directors to reflect the decision of all the Directors participating in such discussions.
177. Subject to provisions of Section 173 of the Act and the Applicable Laws, a Director may participate in and vote at a meeting of the Board by means of electronic mode which allows all persons participating in the meeting to hear and see each other and record the deliberations. Where any Director participates in a meeting of the Board by any of the means above, the Company shall ensure that such Director is provided with a copy of all documents referred to during such Board meeting prior to the commencement of this Board Meeting.

When can a meeting be convened

178. The Managing Director or a Director may, and the Manager or Company Secretary upon the requisition of Director(s) shall, at any time, summon a meeting of the Board.

Chairperson for Board Meetings

- (a) The Board may elect a Chairperson, and determine the period for which he is to hold office. The positions, duties and responsibilities of the Chairman (whether whole-time or not and notwithstanding the fact that his appointment may be in the designation of a Managing Director and/or whole-time Director under the Act) & the Chief Executive Officer (by whatever designation described) shall be accordingly defined by the Board. The Board may authorize maintenance of a Chairman's Office at Company's expense to support him in the performance of his duties.
- (b) Subject to the provisions of the Act, these Articles and of any Contract between him and the Company the remuneration of the Chairman (notwithstanding the fact that his appointment may be in the designation of a Managing Director and/or whole-time Director under the Act) may from time to time be fixed by the Directors, subject to the approval of the Company in General Meeting, and may be by way of fixed monthly payments, commission on profits of the Company; any or all of these modes or any other mode not expressly prohibited in the Act.
179. The Managing Director may also be appointed by the Board as the Chairperson.
180. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their numbers to be Chairperson of the meeting.
181. The Board may from time to time appoint one amongst its members to be the Vice Chairman who shall perform the duties of Chairman in absence of Chairman.

Quorum

182. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 174 of the Act. If a quorum is not present within fifteen minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date and time as the Chairperson of the Board shall decide.

Exercise of powers to be valid in meetings where quorum is present

183. A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board, or in accordance with Section 179 of the Act, the powers of the Company.

Matter to be decided on majority of votes

184. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote.

Power to appoint Committee and to delegate powers

185. The Board may, subject to the provisions of the Act, from time to time and at any time delegate any of its powers to committees consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Unless a power of the Board is not capable of being delegated, such power may be delegated by the Board to any officer or committee of officers as the Board may determine.
186. Any committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board.
187. The meetings and the proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board.

Resolution without Board Meeting/ Resolution by Circulation

188. Save as otherwise expressly provided in the Act to be passed at a meeting of the Board and subject to Section 175 of the Act or Applicable Laws, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted,

if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, as the case may be, at their addresses registered with the Company in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and has been approved by a majority of the Directors or members as are entitled to vote on the resolution.

Provided that, where not less than one-third of the total number of Directors of the Company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a Board Meeting.

Provided further that where the resolution has been put to vote at a Board Meeting, the consent or dissent of the Directors obtained by way of resolution by circulation shall be rendered void and given effect to.

Acts of Board / Committee valid notwithstanding formal appointment

- 189.** All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained or in these Articles, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

Minutes of proceedings of meeting of Board

- 190.** The Company shall cause minutes of proceedings of every meeting of the Board and Committee thereof to be kept in such form by making within thirty days of the conclusion of every such meeting, entries thereof in the books kept for that purpose with their pages consecutively numbered in accordance to Section 118 of the Act or Applicable Laws.
- 191.** Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting.
- 192.** In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise, if the minutes are kept in physical form.
- 193.** The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- 194.** Where the meeting of the Board takes place through electronic mode, the minutes shall disclose the particulars of the Directors who attended the meeting through such means. The draft minutes of the meeting shall be circulated among all the Directors within fifteen days of the meeting either in writing or in electronic mode as may be decided by the Board and/or in accordance with Applicable Laws.
- 195.** Every Director who attended the meeting, whether personally or through electronic mode, shall confirm or give his comments in writing, if any, about the accuracy of recording of the proceedings of that particular meeting in the draft minutes, within seven days or some reasonable time as decided by the Board, after receipt of the draft minutes failing which his approval shall be presumed.
- 196.** All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
- 197.** The minutes shall also contain:
- a. The names of the Directors present at the meeting; and
 - b. In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
- 198.** Nothing contained in these Articles shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairperson of the meeting:
- a. is, or could reasonably be regarded as defamatory of any person.
 - b. is irrelevant or immaterial to the proceedings; or
 - c. is detrimental to the interest of the Company.

199. The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this Article.
200. Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
201. Any Director of the Company may requisition for physical inspection of the Board Meeting minutes in accordance with the Applicable Law.

Powers of Board

202. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act and Applicable Law made thereunder, or any other Act, or by the Memorandum, or by these Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act and the Applicable Law made thereunder, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting; but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
203. The Board may subject to Section 186 of the Act and provisions of Applicable Law made thereunder shall by means of unanimous resolution passed at meeting of Board from time to time, invest, provide loans or guarantee or security on behalf of the Company to any person or entity.

Restriction on powers of Board

204. The Board of Directors shall exercise the following powers subject to the approval of Company by a Special Resolution:
- a. to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings;
 - b. to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
 - c. to borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up Share Capital and free-reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business;
 - d. to remit, or give time for the repayment of, any debt due from a Director.

Contribution to charitable and other funds

205. The Board of Directors of a Company may contribute to bona fide charitable and other funds. A prior permission of the Company in general meeting by way of ordinary resolution shall be required for if the aggregate of such contributions in a financial year exceeds 5 % (five percent) of its average net profits for the three immediately preceding financial years

Absolute powers of Board in certain cases

206. Without prejudice to the general powers conferred by Section 179(3) of the Act or Applicable Laws and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in these Articles or the Applicable Law, it is hereby declared that the Directors shall have the following powers; that is to say, power:
- a. To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
 - b. To pay any interest lawfully payable under the provisions of Section 40 of the Act.
 - c. To act jointly and severally in all on any of the powers conferred on them.

- d. To appoint and nominate any Person(s) to act as proxy for purpose of attending and/or voting on behalf of the Company at a meeting of any Company or association.
- e. To comply with the provisions of Applicable Law which in their opinion shall, in the interest of the Company be necessary or expedient to comply with.
- f. To make, vary and repeal bye-laws for regulation of business of the Company and duties of officers and servants.
- g. Subject to Sections 179 and 188 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- h. Subject to the provisions of the Act and Applicable Laws, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in Shares, bonds, Debentures, mortgages, or other securities of the Company, and such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled Capital or not so charged;
- i. To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled Capital for the Company being or in such manner as they may think fit;
- j. To accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed;
- k. To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of Debenture or Debenture stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future).
- l. To open and deal with current account, overdraft accounts with any bank/banks for carrying on any business of the Company.
- m. To appoint any Person (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- n. To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company.
- o. To refer any claims or demands or differences by or against the Company or to enter into any contract or agreement for reference to arbitration, and observe, enforce, perform, compound or challenge such awards and to take proceedings for redressal of the same.;
- p. To act as trustees in composition of the Company's debtors and/or act on behalf of the Company in all matters relating to bankrupts and insolvents;

- q. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- r. Subject to the provisions of Sections 179 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;
- s. To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- t. To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;
- u. Subject to provisions of Applicable Law, to give a Director or any officer or any other person whether employed or not by the Company, share or shares in the profits of the Company, commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
- v. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions; funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit;
- w. To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;
- x. Before recommending any Dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company or for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the reserve into such special Funds as the Board may think fit, with full power to transfer the whole, or any portion of a

Reserve Fund or division of a Reserve Fund to another Reserve Fund or division, of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or Debenture stock, and without being bound to keep the same, separate from the other assets ,and without being bound to pay interest on the same with power, however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

- y. Subject to the provisions of the Act to appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisor, clerks, agents and servants of permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India, or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.
- z. To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary of expedient of comply with;
- aa. Subject to applicable provisions of the Act and Applicable Law, to appoint purchasing and selling agents for purchase and sale of Company's requirement and products respectively.
- bb. From time to time and at any time to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such local boards and to fix their remuneration.
- cc. Subject to Section 179 & 180 of the Act from time to time and at any time, delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorize the Members for the time being of any such local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- dd. At any time and from time to time by power of attorney under the Seal, if any, of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these Presents and excluding the powers to make calls and excluding also, except in their limits authorized by the Board, the power to make loans and borrow money') and for' such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favor of the members or any of the Members of any Local Board, established as aforesaid or in favor of any Company, or the Shareholders, Directors, nominees or managers of any Company or firm or otherwise in favor of any fluctuating body of persons whether nominated directly by the Board and any such power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- ee. Subject to Sections 184 and 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, agreements and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

- ff. Subject to the provisions of the Act, the Board may pay such remuneration to Chairperson / Vice Chairperson of the Board upon such conditions as they may think fit.
- gg. To take insurance of any or all properties of the Company and any or all the employees and their dependants against any or all risks.
- hh. To take insurance on behalf of its managing Director, whole-time Director, manager, Chief Executive Officer, Chief Financial Officer or Company Secretary or any officer or employee of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS

Board may appoint Managing Director(s) and/or Whole Time Directors

- 207. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member or members as Managing Director(s) and/ or whole time directors of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of these Articles the Board may by resolution vest in such Managing Director(s) and/ or whole time directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine.
- 208. Subject to the Article above, the powers conferred on the Managing Director and/ or whole time directors shall be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as the Board may think fit and it may confer such powers either collateral with or to the exclusion of and in substitution of all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. The Managing Director and/ or whole time directors shall not exercise any powers under Section 179 of Act except such powers which can be delegated under the Act and specifically delegated by a resolution of the Board.
- 209. 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.

Restriction on Management

- 210. The Board of Directors may, subject to Section 179 of the Act, entrust to and confer upon a Managing or whole time Director any of the powers exercisable by them, upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

Remuneration to Managing Directors/ Whole time Directors

- 211. A Managing or whole time Director may be paid such remuneration, whether by way of monthly payment, or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act, as the Board of Directors may determine.
- 212. 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.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

- 213. 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.
214. Subject to the Applicable Law, any Director or the Company Secretary or any officer appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any books, records, documents and accounts relating to the business of the Company and to certify copies or extracts thereof; and where any books, records documents or accounts are then, at the office, the local manager or other officer of the Company having the custody thereof, shall be deemed to be a person appointed by the Board as aforesaid.
215. Document purporting to be a copy of resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of the preceding Article shall be conclusive evidence in favor of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be that extract is a true and accurate records of a duly constituted meeting of the Directors.

The Seal

216. The Board may, in its absolute discretion, adopt a common seal for the Company.
217. The Board shall provide for the safe custody of the Seal, if adopted and shall have the power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given and in the presence of at least two Directors and of the company secretary or such other person duly authorised by the Directors or a committee of the Directors, who shall sign every instrument to which the seal is so affixed in his presence.
218. The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Directors or any other person duly authorized for the purpose. The Company shall also be at liberty to have an official Seal for use in any territory, district or place outside India.

Dividends and Reserve

Division of profits

219. The profits of the Company, subject to any special rights as to dividends or authorized to be created by these Articles, and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of Capital paid-up on the Shares held by them respectively.

The Company in general meeting may declare a Dividend

220. The Company in general meeting may declare dividends to be paid to members according to their respective rights, but no Dividend shall exceed the amount recommended by the Board; the Company in general meeting may, however declare a smaller Dividend. No Dividend shall bear interest against the Company.

Dividend only to be paid out of profits

221. Subject to the provisions of the Act, the Dividend can be declared and paid only out of:
- a. Profits of the financial year, after providing depreciation;
 - b. Accumulated profits of the earlier years, after providing for depreciation;
 - c. Out of monies provided by Central or State Government for payment of Dividend in pursuance of a guarantee given by the Government.
222. If the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of the Act, or against both.

Transfer to reserve

223. The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising 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.

224. Such reserve, being free reserve, may also be used to declare dividends in the event the Company has inadequate or absence of profits in any financial year, in accordance to Section 123 of the Act and Applicable Law made in that behalf. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Interim Dividend

225. Subject to the provisions of Section 123 of the Act and Applicable Law, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

Calls in advance not to carry rights to participate in profits

226. Where Capital is paid in advance of calls such Capital may carry interest but shall not in respect thereof confer a right to Dividend or participate in profits.

Payment of pro rata Dividend

227. 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.

Deduction of money owed to the Company

228. The Board may deduct from any Dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Rights to Dividend where shares transferred

229. A transfer of Share shall not pass the right to any Dividend declared thereon before the registration of the transfer.

Dividend to be kept in abeyance

230. The Board may retain the dividends payable in relation to such Shares in respect of which any person is entitled to become a Member by virtue of transmission or transfer of Shares and in accordance sub-Section (5) of Section 123 of the Act or Applicable Law. The Board may also retain dividends on which Company has lien and may apply the same towards satisfaction of debts, liabilities or engagements in respect of which lien exists.

Notice of Dividend

231. Notice of any Dividend that may have been declared shall be given to the persons entitled to Share therein in the manner mentioned in the Act.

Manner of paying Dividend

232. Subject to the Applicable Law, any Dividend, interest or other monies payable in cash in respect of shares may be paid by any electronic mode to the shareholder entitled to the payment of the Dividend, or by way of 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.
233. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or Warrant or pay-slip or receipt lost in transmission, or for any Dividend lost to the member of person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the Dividend by any other means.

Receipts for Dividends

234. Any one of two or more joint holders of a Share may give effective receipts for any dividends, bonuses or other monies payable in respect of such Share.

Non-forfeiture of unclaimed Dividend

235. No unclaimed Dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provision of Sections 124 and 125 of the Act in respect of all unclaimed or unpaid dividends.

Accounts

Directors to keep true accounts

236. The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Act.
237. Where the Board decides to keep all or any of the Books of Account at any place in India other than the registered office of the Company the Company shall within seven days of the decision file with the Registrar a notice in writing giving, the full address of that other place.
238. The Company shall preserve in good order the books of account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.
239. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the preceding Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its registered office or at any other place in India, at which the Company's Books of Account are kept as aforesaid.
240. The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

Preparation of revised financial statements or Boards' Report

241. Subject to the provisions of Section 131 of the Act and the Applicable Law made thereunder, the Board may require the preparation of revised financial statement of the Company or a revised Boards' Report in respect of any of the three preceding financial years, if it appears to them that (a) the financial statement of the Company or (b) the report of the Board do not comply with the provisions of Section 129 or Section 134 of the Act.

Places of keeping accounts

242. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.
243. No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.

Winding up

244. Subject to the provisions of the Act and Applicable Law:

- 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, but subject to the rights attached to any preference Share Capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction shall think fit.
- 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.

245. Every Member and other Security holder will use rights of such Member/ Security holder as conferred by Applicable Law or these Articles bonafide, in best interest of the Company or for protection of any of the proprietary interest of such Member/security holder, and not for extraneous, vexatious or frivolous purposes. The Board shall have the right to take appropriate measures, and in case of persistent abuse of powers, expulsion of such Member or other Security holder, in case any Member/Security holder abusively makes use of any powers for extraneous, vexatious or frivolous purposes

Indemnity

246. For the purpose of this Article, the following expressions shall have the meanings respectively assigned below:
- a. **“Claims”** means all claims for fine, penalty, amount paid in a proceeding for compounding or immunity proceeding, actions, prosecutions, and proceedings, whether civil, criminal or regulatory;
 - b. **“Indemnified Person”** shall mean any Director, officer or employee of the Company, as determined by the Board, who in bonafide pursuit of duties or functions or of honest and reasonable discharge any functions as a Director, officer or employees, has or suffers any Claims or Losses, or against whom any Claims or Losses are claimed or threatened;
 - c. **“Losses”** means any losses, damages, cost and expense, penalties, liabilities, compensation or other awards, or any settlement thereof, or the monetary equivalent of a non-monetary suffering, arising in connection with any Claim;

Indemnification

247. Where Board determines that any Director, officer or employee of the Company should be an Indemnified Person herein, the Company shall, to the fullest extent and without prejudice to any other indemnity to which the Indemnified Person may otherwise be entitled, protect, indemnify and hold the Indemnified Person harmless in respect of all Claims and Losses, arising out of, or in connection with, the actual or purported exercise of, or failure to exercise, any of the Indemnified Person’s powers, duties or responsibilities as a Director or officer of the Company or of any of its subsidiaries, together with all reasonable costs and expenses (including legal and professional fees).
248. The Company shall further indemnify the Indemnified Person and hold him harmless on an ‘as incurred’ basis against all legal and other costs, charges and expenses reasonably incurred in defending Claims including, without limitation, Claims brought by, or at the request of, the Company and any investigation into the affairs of the Company by any judicial, governmental, regulatory or other body.
249. The indemnity herein shall be deemed not to provide for, or entitle the Indemnified Person to, any indemnification against:
- a. Any liability incurred by the Indemnified Person to the Company due to breach of trust, breach of any statutory or contractual duty, fraud or personal offence of the Indemnified Person;
 - b. Any liability arising due to any benefit wrongly availed by the Indemnified Person;
 - c. Any liability on account of any wrongful information or misrepresentation done by the Indemnified Person
250. The Indemnified Person shall continue to be indemnified under the terms of the indemnities in this Deed notwithstanding that he may have ceased to be a Director or officer of the Company or of any of its subsidiaries.

Shares Certificates

251. Issue of shares in dematerialized form in case the share certificate is defaced, lost or destroyed
- d. If any share certificate be worn out, defaced, mutilated or torn, then upon production and surrender thereof to the Company, it shall issue shares in lieu of the same in dematerialized form, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the Company deem adequate, shares in lieu thereof shall be given in dematerialized form.

252. *Limitation of time for issue of certificates*

Provided however that the provision relating to issuance of certificates shall not apply to the shares of the Company which are dematerialized or may be dematerialized in future or issued in future in dematerialized form.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or rules applicable thereof in this behalf; Provided further that the Company shall comply with the provisions of Section 46 of the Act and other Applicable Law, in respect of issue of duplicate Share certificates.

253. The provision of this Article shall *mutatis mutandis* apply to issue of certificates of Debentures of the Company

Underwriting and Brokerage

Commission may be paid

254. Subject to the provisions of the Act and other Applicable Law, and subject to the applicable SEBI guidelines and subject to the terms of issue of the Shares or Debentures or any Securities, as defined in the Securities Contract (Regulations) Act, 1956, the Company may, at any time pay a commission out of proceeds of the issue or profit or both to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or Debentures of the Company, or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for Shares, Debentures or of the Company but so that the commission shall not exceed in the case of shares, five per cent of the price at which the Shares are issued, and in the case of Debentures, two and a half per cent of the price at which the Debentures are issued or at such rates as may be fixed by the Board within the overall limit prescribed under the Act or Securities and Exchange Board of India Act, 1992. Such commission may be satisfied by payment in cash or by allotment of fully or partly paid Shares, Securities or Debentures or partly in one way and partly in the other.

Brokerage

255. The Company may, subject to Applicable Law, pay a reasonable and lawful sum for brokerage to any person for subscribing or procuring subscription for any Securities, at such rate as approved by the Directors.

Employees Stock Options

256. Subject to the provisions of Section 62 of the Act and the Applicable Law, the Company may issue options to the any Directors, not being Independent Directors, officers, or employees of the Company, its subsidiaries or its parent, which would give such Directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the Securities offered by the Company at a predetermined price, in terms of schemes of employee stock options or employees share purchase or both: Provided that it will be lawful for such scheme to require an employee, officer, or Director, upon leaving the Company, to transfer Securities acquired in pursuance of such an option/scheme, to a trust or other body established for the benefit of employees of the Company.

Power to issue Sweat Equity Shares

257. Subject to and in compliance with Section 54 and other Applicable Law, the Company may issue equity Shares to its employees or Director(s) at a discount or for consideration other than cash for providing know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called.

Preferential Allotment

258. Subject to the provisions of Section 62 the Act, read with the conditions as laid down in the Applicable Law, and if authorized by a Special Resolution passed in a General Meeting, the Company may issue Shares, in any manner whatsoever, by way of a preferential offer or private placement. Such issue on preferential basis or private placement should also comply with the conditions as laid down in Section 42 of the Act and/or Applicable law.

Dematerialisation of Securities

Dematerialization of Securities

259. The Board shall be entitled to dematerialize its existing Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended and the rules framed thereunder, if any.

Options for investors

260. Subject to the Applicable Law, every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is a Beneficial Owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any Securities held by him in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed by law, issue and deliver to the Beneficial Owner, the required certificates for the Securities.

Securities in depositories to be in fungible form

261. All securities held by a Depository shall be dematerialized and be in fungible form.

Service of Documents

262. Notwithstanding anything contained in these Articles to the contrary, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of electronic mode

Transfer of securities

263. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

Allotment of securities dealt with in a Depository

264. Notwithstanding anything contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

Register and index of Beneficial Owners

265. The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles. 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.

Copies of Memorandum and Articles to be Sent to Members

266. Copies of Memorandum and Articles of Association of the Company shall be furnished to every Member within fourteen days of his request on payment of an amount as may be fixed by the Board to recover reasonable cost and expenses, not exceeding such amount as fixed under applicable law.

Borrowing Powers

Power to borrow

267. Subject to the provisions of these Articles, the Act and other Applicable Law, the Board may, from time to time, at its discretion, by way of a resolution passed at the meeting of Board, accept deposits from its members or otherwise, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money to be borrowed together with the moneys already borrowed; or where a power to delegate the same is available, by a decision/resolution of such delegate, provided that the Board shall not without the requisite sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up Capital of the Company and its free reserves.

Conditions on which money may be borrowed

268. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, or other Securities, or any mortgage, or other Security on the undertaking of the whole or any part of the property of the Company (both present and future including its uncalled capital for the time being).

Terms of issue of Debentures

269. Any Debentures, Debenture stock, bonds or other Securities may be issued on such terms and conditions as the Board may think fit: Provided that Debenture with a right to allotment or conversion into shares shall be issued in conformity with the provisions of Section 62 of the Act. Debentures, Debenture stock, bonds

and other Securities may be made assignable free from any equities from the Company and the person to whom it may be issued. Debentures, Debenture- stock, bonds or other securities with a right of conversion into or allotment of shares shall be issued only with such sanctions as may be applicable.

Instrument of transfer

270. Save as provided in Section 56 of the Act, no transfer of Debentures shall be registered unless a proper instrument of transfer duly executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the Debentures: Provided that the Company may issue non-transferable Debentures and accept an assignment of such instruments.

Register of charges, etc.

271. The Board shall cause a proper Register to be kept in accordance with the provisions of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 77 to 87 of the Act, both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.

Register and index of Debenture holders

272. The Company shall, if at any time it issues Debentures, keep register and index of Debenture holders in accordance with Section 88 of the Act. Subject to the Applicable Law, the Company shall have the power to keep in any State or Country outside India, a register of Debenture-stock holders, resident in that State or Country.

Management Outside India and other matters

273. Subject to the provisions of the Act, the following shall have effect:
- 273.1. The Board may from time to time provide for the management of the affairs of the Company outside India (or in any specified locality in India) in such manner as it shall think fit and the provisions contained in the four next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.
 - 273.2. Subject to the provisions of the Act, the Board may at any time establish any local Directorate for managing any of the Delegation. affairs of the Company outside India, and may appoint any person to be member of any such local Directorate or any manager or agents and may fix their remuneration and, save as provided in the Act, the Board may at any time delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board and such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit and the Board may at any time remove any person so appointed and annual or vary any such delegations.
 - 273.3. The Board may, at any time and from time to time by power of attorney under Seal, if any, appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those which may be delegated by the Board under the Act and for such period and subject to such conditions as the Board may, from time to time, thinks fit, and such appointments may, if the Board thinks fit, be made in favor of the members or any of members of any local Directorate established as aforesaid, or in favor of the Company or of the members, Directors, nominees or officers of the Company or firm or In favor of any fluctuating body of persons whether nominated directly or indirectly by the Board, and any such Power of Attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the Board thinks fit.
 - 273.4. Any such delegate or Attorney as aforesaid may be authorized by the Board to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
 - 273.5. The Company may exercise the power conferred by the Act with regard to having an Official seat for use abroad, and such powers shall be vested in the Board, and the Company may cause to be kept in any state or country outside India, as may be permitted by the Act, a Foreign Register of Member or Debenture holders residents in any such state or country and the Board may, from time to time make such regulations not being inconsistent with the provisions of the Act, and the Board may, from time to time make such provisions as it may think fit relating thereto and may comply with the requirements of the local law and shall In any case comply with the provisions of the Act.

Audit

Auditors to be appointed

274. Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and Applicable Laws. Where applicable, a Secretarial Auditor shall be appointed by the Board and their rights and duties regulated in accordance with Sections 204 of the Act and Applicable Laws.
275. Subject to the provisions of Section 139 of the Act and Applicable Laws made thereunder, the Statutory Auditors of the Company shall be appointed for a period of five consecutive years. Provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act or Applicable Laws.

Remuneration of Auditors

276. The remuneration of the Auditors shall be fixed by the Company in Annual general meeting or in such manner as the Company in general meeting may determine.

Documents and Notices

Service of documents and notice

277. A document or notice may be served or given by the Company on any member either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him or by way of any electronic transmission, as prescribed in Section 20 of the Act and Applicable Law made thereunder.
278. Where a document or notice is sent by post, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of the doing so, service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

Notice to whom served in case of joint shareholders

279. A document or notice may be served or given by the Company on or given to the joint-holders of a Share by serving or giving the document or notice on or to the joint-holders named first in the Register of Members in respect of the Share.

Notice to be served to representative

280. A document or notice may be served or given by the Company on or to the persons entitled to a Share in consequence of the death or insolvency of a member by sending it through post in a prepaid letter addressed to him or them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Service of notice of General Meetings

281. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member, (b) every Director of the Company and (c) the Auditor(s) for the time being of the Company.

Members bound by notice

282. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such shares, which previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares.

Documents or notice to be signed

- 283.** Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorized by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed.

Secrecy

- 284.** Every manager, Auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board of Directors, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bonafide transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge In the discharge of his duties except when required to do so by the Directors or by any general meeting or by the law of the country and except so far as maybe necessary in order to comply with any of the provisions in these Presents and the provisions of the Act.
- 285.** Subject to the provisions of these Articles and the Act, no member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or to examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be expedient in the interest of the Company to communicate.

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 this Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and will also be available online at www.pacedigitek.com from the date of this Red Herring Prospectus until the Bid/Issue Closing Date.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts

1. Issue Agreement dated March 27, 2025 entered amongst our Company, and the BRLM.
2. Registrar Agreement dated March 27, 2025 entered amongst our Company and the Registrar to the Issue.
3. Cash Escrow and Sponsor Bank Agreement dated September 18, 2025 entered amongst our Company, the Registrar to the Issue, the BRLM, the Syndicate Member, and the Bankers to the Issue.
4. Syndicate Agreement dated September 18, 2025 entered amongst our Company, the BRLM, the Syndicate Member, and the Registrar to the Issue.
5. Underwriting Agreement dated [●] entered amongst our Company, the Underwriters and the Registrar to the Issue.
6. Monitoring Agency Agreement dated September 18, 2025 amongst our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company, as amended.
2. Certificate of incorporation dated March 01, 2007 under the name of 'Pace Power Systems Private Limited'.
3. Fresh certificate of incorporation dated July 24, 2020 under the name of 'Pace Digitek Infra Private Limited' pursuant to name change of the Company.
4. Fresh certificate of incorporation dated July 29, 2024 under the name of 'Pace Digitek Private Limited' pursuant to name change of the Company.
5. Fresh certificate of incorporation dated November 19, 2024 under the name of 'Pace Digitek Limited' pursuant to conversion into public limited company.
6. Resolution of our Board dated February 1, 2025 in relation to the Issue and other related matters.
7. Resolution of our Shareholders dated February 1, 2025 authorising the Issue and other related matters.
8. Resolution of our Board dated March 27, 2025 approving the Draft Red Herring Prospectus.
9. Resolution of our Board dated September 19, 2025 approving this Red Herring Prospectus.
10. Copies of annual reports of our Company for the last 3 Fiscals.

11. Examination report on the Restated Consolidated Financial Information dated August 30, 2025 of our Statutory Auditors, included in this Red Herring Prospectus.
12. Consent letter dated September 8, 2025 from our Statutory Auditors for inclusion of their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated August 30, 2025 on our Restated Consolidated Financial Information; and (ii) the statement of special tax benefits dated September 8, 2025 included in this Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Red Herring Prospectus.
13. Consent dated September 19, 2025 from DMP & Associates, practicing Company Secretary, to include their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in their capacity as practicing company secretary and in respect of the certificate dated September 19, 2025 issued by them in connection with *inter alia* untraceable corporate records which are untraceable and filings, and such consent has not been withdrawn as of the date of this Red Herring Prospectus.
14. Consent dated September 19, 2025 from Arimbur Kunjipallu Rappai from the independent chartered engineer, to include his name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in his capacity as independent chartered engineer and in respect of the certificates dated September 19, 2025 issued by him in connection with the capacity utilization and estimated cost and certificate dated September 19, 2025 in relation to certain products and solutions of our Company and such consent has not been withdrawn as of the date of this Red Herring Prospectus.
15. Consent dated September 19, 2025 from M/s MRKS and Associates from the independent chartered accountant, to include their name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in his capacity as independent chartered accountant and in respect of the certificates dated September 19, 2025 issued by them in connection with *inter alia* certain financial and operational data included in this Red Herring Prospectus and such consent has not been withdrawn as of the date of this Red Herring Prospectus.
16. Consents of our Directors, our Promoters, our Company Secretary and Compliance Officer, our Chief Financial Officer, the Bankers to our Company, the legal counsel appointed for the Issue, CRISIL, the BRLM, the Registrar to the Issue, as referred to in their specific capacities.
17. Certificate on cost of acquisition issued by our Statutory Auditors, S S Kothari Mehta & Co. LLP dated September 19, 2025.
18. Certificate on deployment of funds in relation to funds deployed towards the Capital Expenditure proposed to be funded from the Net Proceeds issued by our Statutory Auditors, S S Kothari Mehta & Co. LLP dated September 19, 2025.
19. Certificate on our financial indebtedness issued by M/s MRKS and Associates, Chartered Accountants, dated September 19, 2025.
20. Certificate on Key Performance Indicators issued by M/s MRKS and Associates, Chartered Accountants, dated September 19, 2025.
21. Resolution of the Audit Committee dated September 19, 2025 approving the Key Performance Indicators.
22. Industry report titled '*Assessment of telecom tower optical fibre EPC solar energy and rural electrification markets in India*' dated December 2024 as amended pursuant to an addendum to the report dated September 1, 2025 prepared and issued by CRISIL, appointed by us pursuant to an engagement letter dated May 3, 2024, exclusively commissioned and paid us in connection with the Issue, which is available on the website of our Company at <https://www.pacedigitek.com/pdf/DRHP-Documents/Industry-Report.pdf>.
23. Consent letter dated September 5, 2025 from CRISIL to include contents or any part thereof from CRISIL Report titled '*Assessment of telecom tower optical fibre EPC solar energy and rural electrification*

markets in India’ dated December 2024 as amended pursuant to an addendum to the report dated September 1, 2025 in this Red Herring Prospectus.

24. Tripartite agreement between NSDL, our Company and Registrar to the Issue dated March 17, 2025.
25. Tripartite agreement between CDSL, our Company and Registrar to the Issue dated March 17, 2025.
26. SEBI final observations letter no. SEBI/HO/CFD/RAC-DIL2/P/OW/2025/23335/1 dated August 29, 2025.
27. Due diligence certificate dated March 27, 2025 addressed to SEBI from the BRLM.
28. In principle listing approvals both dated August 20, 2025 issued by BSE and NSE, respectively.

DECLARATIONS

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Maddisetty Venugopal Rao
Chairman and Managing Director

Place: Bengaluru

Date: September 19, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Rajiv Maddisetty
Whole Time Director

Place: Bengaluru

Date: September 19, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Padma Venugopal Maddisetty
Whole Time Director

Place: Bengaluru

Date: September 19, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Satishchandra B Ogale
Independent Director

Place: Bengaluru

Date: September 19, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Om Prakash Mishra
Independent Director

Place: Bengaluru

Date: September 19, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Prabhakar Reddy Patil
Independent Director

Place: Bengaluru

Date: September 19, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

P Rajavendhan
Chief Financial Officer

Place: Bengaluru

Date: September 19, 2025