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SEBI/HO/CFD/RAC-DIL3/P/OW/I/4429/2026/
February 06, 2026

Khandwala Securities Limited
G-II, Ground Floor, Dalamal House,
Nariman Point, Mumbai – 400 021,
Maharashtra, India

Kind Attention: Mr. Alok Desai

महोदय / महोदया,
Dear Sir / Madam,

विषय / Sub: Proposed IPO of Armee Infotech Limited (Company/Issuer)

उपरोक्त से संबंधित प्रारूप प्रस्ताव दस्तावेज (ड्राफ्ट ऑफर डॉक्यूमेंट), भारतीय प्रतिभूति और विनिमय बोर्ड (सेबी) द्वारा मांगे गए स्पष्टीकरणों और उसके संबंध में दिए गए उत्तरों के संदर्भ में, यह सूचित किया जाता है कि इनकी जाँच करने पर यह पाया गया है कि इनमें कमियाँ हैं / भारतीय प्रतिभूति और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ] विनियम, 2018 [सेबी (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018] के प्रावधानों और दिए गए अनुदेशों का पालन नहीं किया गया है, और आपके लिए यह जरूरी है कि आप स्टॉक एक्सचेंज और / या कंपनी रजिस्ट्रार के पास प्रस्ताव दस्तावेज दाखिल करने से पहले उन कमियों को दूर करें और संबंधित प्रावधानों तथा दिए गए अनुदेशों का पालन करें। उपरोक्त के संबंध में की गई टिप्पणियों का और जिन शर्तों आदि का पालन किया जाना है, उनका जिक्र संलग्नक 'I' और संलग्नक 'II' में किया गया है। कृपया यह भी नोट करें कि संलग्नक में जो कमियाँ बताई गई हैं / कुछ और प्रकटीकरण (डिस्क्लोज़र) करने की बात कही गई है, यह सब आपको केवल उदाहरण के तौर पर ही बताया गया है। यह सुनिश्चित करने की जिम्मेदारी आपकी है कि सभी और सही प्रकटीकरण किए जाएं।

With reference to the draft offer document in respect of captioned issue, clarifications sought by SEBI and the replies submitted therein, it is stated that on scrutiny of the same, deficiencies / instances of non-compliance of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as SEBI (ICDR) Regulations, 2018) and instructions have been observed, which are required to be rectified / complied with by you before filing the offer document with the Stock Exchange and/ or ROC. Observations on the captioned issue and other conditions to be complied with are indicated in Annexure 'I' and 'II'. It may be noted that the deficiencies / requirement of additional disclosures listed in the Annexure are merely illustrative and not exhaustive. It is your responsibility to ensure full and true disclosures.

1. बुक रनिंग लीड मैनेजर होने के नाते, आप यह सुनिश्चित करेंगे कि स्टॉक एक्सचेंज / कंपनी रजिस्ट्रार के पास प्रस्ताव दस्तावेज दाखिल करने से पहले संलग्नक में दी हुई टिप्पणियों / शर्तों आदि के अनुसार प्रस्ताव दस्तावेज में बदलाव कर लिए जाएं। कंपनी रजिस्ट्रार / स्टॉक एक्सचेंज के पास अंतिम प्रस्ताव दस्तावेज दाखिल करने से पहले आपको हमें एक पत्र भेजकर इस बात की पुष्टि करनी होगी कि अपेक्षानुसार बदलाव कर लिए गए हैं और साथ ही यह भी बताना होगा कि प्रत्येक टिप्पणी / शर्त आदि के अनुसार बदलाव कैसे किए गए हैं। **इसके अलावा और कोई भी बदलाव सेबी से लिखित सहमति लिए बिना नहीं किए जाएंगे।**

   As Book Running Lead Manager (LM), you shall ensure that all changes are effected based on the observations/ conditions contained in the Annexure before you file the offer document with the stock Exchange/ ROC. A letter confirming these changes and explaining, in seriatim, the manner in which each observation / condition has been dealt with along with your comments should be submitted to us, before filing the final offer document with ROC / Stock Exchange. **NO FURTHER CHANGES SHOULD BE EFFECTED WITHOUT SPECIFIC WRITTEN CONSENT OF SEBI.**

2. यह स्पष्ट किया जाता है कि भारतीय प्रतिभूति और विनिमय बोर्ड (सेबी) के पास प्रस्ताव दस्तावेज (ऑफर डॉक्यूमेंट) दाखिल करने का अर्थ किसी भी तरह से यह न लगाया जाए कि सेबी द्वारा इसे मंजूरी प्रदान कर दी गई है। सेबी न तो इस बात की कोई जिम्मेदारी लेता है कि जिस स्कीम या परियोजना (प्रोजेक्ट) के लिए निर्गम (इश्यू) लाए जाने का प्रस्ताव है उसकी वित्तीय स्थिति अच्छी है और न ही इस बात की जिम्मेदारी लेता है कि प्रस्ताव दस्तावेज में दी गई जानकारी या व्यक्त की गई राय सही है। अग्रणी प्रबंधकों (लीड मैनेजर्स) ने यह प्रमाणित किया है कि प्रस्ताव दस्तावेज में जो प्रकटीकरण (डिस्क्लोज़र) किए गए हैं वे मोटे तौर पर पर्याप्त हैं और जो प्रकटीकरणों (डिस्क्लोज़र) तथा निवेशक संरक्षण के संबंध में उस समय लागू सेबी के विनियमों के प्रावधानों के अनुसार किए गए हैं। अग्रणी प्रबंधक यह भी सुनिश्चित करेंगे कि ऐसा भारतीय प्रतिभूति और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ] विनियम, 2018 [सेबी (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018] के अनुसार भी किया जाए। ऐसा करना इसलिए जरूरी है, ताकि निवेशक प्रस्तावित निर्गम (इश्यू) में निवेश करने के संबंध में सोच-समझकर निर्णय ले सकें।

   It is to be distinctly understood that submission of offer document 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 offer document. The LMs have certified that the disclosures made in the offer document are generally adequate and are in conformity with SEBI regulations for disclosures and investor protection in force for the time being. The LMs are advised to ensure the same with respect to SEBI (ICDR) Regulations, 2018. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

3. यह भी पूरी तरह से स्पष्ट किया जाता है कि यद्यपि इस बात की जिम्मेदारी मुख्य रूप से निर्गमकर्ता (इश्युअर) कंपनी की होती है कि प्रस्ताव दस्तावेज में समस्त जरूरी जानकारी प्रकट की जाए और जो सही और पर्याप्त हो, फिर भी अग्रणी प्रबंधकों (लीड मैनेजर्स) से अपेक्षित है कि वे यह सुनिश्चित करने के लिए पूरी तत्परता (ड्यू डिलिजेंस) बरतें कि कंपनी अपनी जिम्मेदारियाँ सही ढंग से निभाए, और इसी उद्देश्य से अग्रणी प्रबंधकों ने भारतीय प्रतिभूति

और विनिमय बोर्ड (इश्यू ऑफ कैपिटल एंड डिस्क्लोज़र रिक्वायरमेंट्स) रेग्यूलेशन्स, 2018 के अनुसार सेबी के पास पूरी तत्परता बरते जाने के संबंध में तारीख अगस्त 29, 2025 का प्रमाणपत्र (ड्यू डिलिजेंस सर्टिफिकेट) प्रस्तुत किया है।

It should also be clearly understood that while the Issuer Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the offer document, the LMs are expected to exercise Due Diligence to ensure that the Company discharges its responsibility adequately in this behalf and towards this purpose, the LMs have furnished to SEBI a Due Diligence Certificate dated September 27, 2025 in accordance with SEBI ICDR Regulations, 2018.

4. हालाँकि, कंपनी प्रस्ताव दस्तावेज दाखिल कर देने से ही कंपनी अधिनियम, 2013 की धारा 34 के तहत दी गई किसी भी बाध्यता से मुक्त नहीं हो जाती या वह कानूनी प्रावधानों के अनुसार ली जाने वाली मंजूरी या ऐसी कोई अन्य मंजूरी लेने से मुक्त नहीं हो जाती, जो प्रस्तावित निर्गम के संबंध में लेनी जरूरी हो। हालाँकि, सेबी प्रस्ताव दस्तावेज में कोई अनियमितता या कमी पाए जाने पर कभी भी अग्रणी प्रबंधकों के खिलाफ कार्रवाई कर सकता है।

The filing of offer document does not, however, absolve the company from any liabilities under Section 34 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed issue. SEBI further reserves the right to take up, at any point of time, with the LMs any irregularities or lapses in offer document.

5. किसी भी प्रचार सामग्री या विज्ञापन में ऐसा कुछ भी उल्लेख नहीं किया जाएगा, जो प्रारूप प्रस्ताव दस्तावेज (ड्राफ्ट ऑफर डाक्यूमेंट) में दी गई जानकारी से भिन्न हो। **इस संबंध में आपका ध्यान विशेष रूप से कंपनी अधिनियम, 2013 की धारा 36 के प्रावधानों की ओर आकर्षित किया जाता है।**

Any publicity materials / advertisements should not contain matters extraneous to the information contained in the draft offer document. **Attention is specifically drawn to the provisions of Section 36 of the Companies Act, 2013.**

6. अग्रणी प्रबंधक यह सुनिश्चित करें कि भारतीय प्रतिभूति और विनिमय बोर्ड [पूँजी का निर्गमन (इश्यू) और प्रकटीकरण अपेक्षाएँ] विनियम, 2018 के विनियम 25(1) और अनुसूची- III के अनुसार उपरोक्त निर्गम (इश्यू) के संबंध में फाइलिंग फीस की गणना किस प्रकार की गई है उसका एक विस्तृत विवरण, यथास्थिति, कंपनी रजिस्ट्रार के यहाँ प्रॉस्पेक्टस दाखिल किए जाने के सात दिनों के भीतर / स्टॉक एक्सचेंज के पास प्रस्ताव-पत्र (लेटर ऑफ ऑफर) दाखिल किए जाने के सात दिनों के भीतर, सेबी के पास प्रस्तुत कर दिया जाए और साथ ही अब तक अदा की गई फाइलिंग फीस का ब्यौरा भी दिया जाए।

The LMs are advised to ensure that a detailed calculation of filing fees in relation to the captioned issue in terms of regulation 25(1) and Schedule III of the SEBI (ICDR) Regulations, 2018 is submitted to SEBI <u>within seven days</u> of filing the Prospectus with ROC/

within seven days of filing the Letter of Offer with the stock exchange, as the case may be, along with details of filing fees paid till date.

आपने जो फीस अदा की है, यदि वह वास्तव में अदा की जाने वाली फीस से कम हो, तो ऐसे में अग्रणी प्रबंधक यह सुनिश्चित करेंगे और इस बात की पुष्टि करेंगे कि सेबी को शेष फीस अदा किए जाने के संबंध में इन विनियमों की अनुसूची-III के प्रावधानों का पालन किया गया है।

If filing fees paid by you is less than the actual fees required to be paid, the LMs are advised to ensure and confirm compliance with the provisions of Schedule III of the said Regulations in regard to payment of the balance fees to SEBI.

आपने जो फीस अदा की है, यदि वह वास्तव में अदा की जाने वाली फीस से अधिक हो, तो ऐसे में आप सेबी को सूचित करेंगे कि कितनी फीस लौटाई जानी है, साथ ही आप यह भी बताएंगे कि आपने लौटाई जाने वाली फीस की रकम की गणना कैसे की है और सेबी को किसके नाम पर भुगतान करना होगा।

If filing fees paid by you are more than the actual fees required to be paid, you are advised to inform SEBI about the amount to be refunded, along with detailed calculation of amount refundable and name of the person in whose favour, the payment may be made by SEBI.

7. प्रस्तावित निर्गम (इश्यू) इस अभिमत पत्र के जारी होने की तारीख से 12 महीनों के भीतर पैसा लगाने (अभिदान करने / सब्स्क्रिप्शन) के लिए खोला जा सकता है।

The proposed issue can open for subscription within a period of 12 months from the date of issuance of this observation letter.

Place: Mumbai

Yashwanth Manthani

Annexure I

OBSERVATIONS

1. Please refer to our letter dated November 7, 2025 and the response received from Lead Manager (**LM**) vide letter dated November 13, 2025 and all other correspondences exchanged. LM is advised to ensure compliance with the same.

2. The LM is advised to ensure that the language used in the UDRHP is lucid, usage of abbreviations is limited, abbreviations to be used in the para, if already quoted in the same page / heading; any expressions, jargons or nomenclatures from other languages or not commonly used, are explained clearly at all relevant places.

3. LM is advised to ensure that the Risk Factors provide adequate explanation of risk, are placed based on materiality and provide cross-reference to the exact page no. of the UDRHP, wherein further information has been disclosed.

4. LM is advised to disclose the face value of the shares at all relevant places in the UDRHP.

5. LM is advised to incorporate all the certificates issued by the Chartered Accountants under the section Material Contracts and Documents for Inspection.

6. In case the company is contemplating issuance of Equity Shares through pre-IPO placement:

   6.1. LM is advised to confirm and disclose that the Pre-IPO allottees have been appropriately informed that there is no guarantee that the IPO may come through or listing will happen and the investment is being done solely at the risk of the investor. Such information shall be provided to the investors prior to the allotment of shares.

   6.2. LM is advised to disclose that the amount of Pre-IPO placement is to be used for the object of the Issue as disclosed in the draft offer document.

   6.3. The Pre-IPO placement undertaken by the company, if any, to be disclosed as a risk to the investors applying in IPO, and whether the Pre-IPO was at a price higher / lower than the IPO price. Further, such Risk Factor to be included in the price band advertisement.

7. FORWARD-LOOKING STATEMETNS

   7.1. LM is advised to remove certain factors given under this chapter, if such factors are disclosed as one of the risk factors in the DRHP. Further, LM is advised to have language and contents benchmarked to usual statements regarding forward-looking statements.

8. SUMMARY OF THE OFFER DOCUMENT

8.1. LM is advised to remove any reference to the industry report under "Summary of the primary business" and rather disclose details regarding business of the company.

8.2. LM is advised to disclose the reason for increase in revenue of the company over the past three years and to ensure appropriate cross-referencing elsewhere in the DRHP.

8.3. LM is advised to disclose the reason for increase in borrowings of the company from FY 2024 to FY 2025 and to ensure appropriate cross-referencing elsewhere in the DRHP.

8.4. LM is advised to disclose the reason for decrease in the profit from FY 2024 to FY 2025 despite increase in the revenue during the same period and to ensure appropriate cross-referencing elsewhere in the DRHP. Further, disclose a risk factor on the same.

8.5. Summary of contingent liabilities: LM is advised to disclose the note (d) in the table given.

8.6. LM is advised to disclose the details of bonus issuance in the section itself.

9. RISK FACTORS

9.1. RF 2 – LM is advised to disclose details regarding the government projects procured from empanelled partner. Further, LM is advised to disclose segment-wise bid-success rate of the company for the given period.

9.2. RF 3 – LM is advised to disclose whether there are any agreements with the suppliers for the procurement of equipments and other supplies. Further, LM is advised to disclose data regarding third-party insurance mentioned in the risk factor.

9.3. RF 4 – LM is advised to disclose average time taken for completing projects (segment-wise) for the last three years. Further, LM is advised to disclose any instance(s) of adverse developments mentioned in the risk factor.

9.4. RF 5 – LM is advised to disclose expenses towards procurement of equipments from technology partners as a percentage of total expenses of the company. Further, LM is advised to disclose any other such instances where defective or low quality products were received from the suppliers.

9.5. RF 6 – LM is advised to disclose the success rate of the bids made by the company over the past three years in the title of the risk factor. Further, LM is advised to bring out the risk of company being new to the renewable energy sector and may not be eligible for projects where experience is required.

It may also be disclosed that the revenue of the company may fluctuate depending on the company's ability to procure successful bids.

9.6. RF 7 – LM is advised to disclose the data regarding negative operating cash flows in the title of the risk factor. Further, LM is advised to elaborate the risk factor including the reasons for such negative cash flows, in detail.

9.7. RF 9 – LM is advised to disclose any past instance(s) of penalty levied on the company for delays in delivering the products.

9.8. RF 10 – LM is advised to confirm whether any PBG are issued/ required to be issued to any of its private clients. If yes, relevant data may be disclosed. Further, LM is advised to highlight the decline in the incremental addition to order book in FY 2025 and in stub period, if any.

Further, LM is advised to disclose the reason(s) for decline in the amount of PBGs issued during FY 2025. The funding requirements of the company for the last three years for PBG limits may also be disclosed.

9.9. RF 11 – LM is advised to disclose data regarding turnkey solutions projects handled by the company in the past and how they were executed given the lack of expertise in the field.

9.10. RF 12 – LM is advised to disclose how the funds will be utilized in the event the company unable to procure the projects amounting to expected order value as disclosed in the DRHP.

9.11. RF 13 – LM is advised to disclose segment-wise revenue contribution for the last three years and stub period. Further, LM is advised to disclose the number of employees in execution team for the new lines of business and their experience.

9.12. RF 15 – LM is advised to disclose the number of instances and number of days delayed with respect to such statutory payments.

9.13. RF 19 – LM is advised to disclose the number of employees (segment-wise) of the company over the last three years. Further, given the company's entry into multiple new lines of business, LM is advised to disclose the number of new employees hired in such segments. If none, LM is advised to explicitly state the same.

9.14. RF 22 – To be brought in top 10 Risk Factors. LM is advised to disclose the reasons, in detail, for the significant increase in the working capital requirements of the company.

9.15. RF 25 – LM is advised to disclose data regarding the funding requirements of the company in a tabular form.

9.16. RF 29 – LM is advised to disclose the data regarding revenue of the company from experienced zones.

9.17. RF 33 – To be brought in top 15 Risk Factors.

9.18. RF 37 – To be brought in top 10 Risk Factors. LM is advised to elaborate the risk factor and explain the complexity of renewable energy industry. Further, LM is advised to highlight the risk that the significant portion of revenue of the company comes from the company's new line of business i.e., renewable energy where the company's expertise is minimal.

9.19. RF 52 – To be brought in top 15 Risk Factors. LM is advised to disclose the total borrowings (current and non-current) of the company, finance costs, DSCR and Debt-equity ratio along with the reasons for increase in borrowings of the company.

9.20. RF 55 – To be brought in top 20 Risk Factors. LM is advised to disclose the ratings of the company in the title of the risk factor.

9.21. LM is advised to disclose an additional risk factor on company taking properties on lease from the related parties.

9.22. LM is advised to disclose an additional risk factor on the objections against the trademark registration applications of the company.

9.23. LM is advised to disclose whether any vendors, suppliers or Technology Partners referred to in the risk factors are connected to the Promoter or Promoter Group (and if so, to describe the nature of such connections); if none are connected, LM is advised to state that explicitly.

9.24. LM is advised to disclose an additional risk factor with regard to proceeds of the issue being utilized for PBG requirements based on company's estimates, where PBG requirement of the company was declined from FY 2024 to FY 2025, including the reasons thereof.

10. CAPITAL STRUCTURE

10.1. LM is advised to disclose in tabular format the list of documents, records, filings not available with the company with exact description. LM is advised to write to MCA/RoC with specific details on non-availability of the documents/filings after confirming whether they have been filed with RoC on the relevant date. LM is advised to confirm this in writing. If not applicable, confirm the same.

10.2. LM is advised to include a separate column in the share capital history table disclosing the number of allottees for each issuance.

10.3. LM is advised to confirm that selling shareholders will not participate in the proposed pre-IPO placement.

11. OBJECTS OF THE ISSUE

11.1. LM is advised to redraft the name of first object to clarify where the proceeds are proposed to be utilized i.e., for the purpose of securing PBGs.

11.2. LM is advised to justify (supported by data) the requirement for PBGs and higher projection of PBGs required in FY 2027 and FY 2028 given that the contract value of the projects is significantly declined from FY 2024 to FY 2025.

11.3. Page 94 – LM is advised to rename 'funds blocked as margin for issuance of Bank Guarantee' as 'Fixed deposit towards Bank Guarantee' to maintain the consistency. Further, LM is advised to ensure the same across the DRHP.

11.4. LM is advised to disclose the terms and conditions agreed upon between the company and Acer, for Acer to provide collateral or security for the PBGs issued to the company.

11.5. Page 94 – LM is advised to explain the term 'holding period' below the table. Further, LM is advised to disclose the amount of PBGs issued against the Fixed deposits given in the table.

11.6. LM is advised to disclose the reason for substantial decrease in the revenue contribution from Government/ PSU clients. Further, data regarding projects other than the Government/ PSU projects and the value of PBGs issued may also be disclosed.

11.7. LM is advised to explain 'non-current receivables' and the reason for using it for the calculation of working capital requirement of the company.

11.8. LM is advised to disclose the reasons for significant increase in trade receivables, inventories and non-current receivables of the company.

11.9. LM is advised to disclose the historical and projected working capital requirement, working capital days and order book of the company separately for each segment. Further, LM is advised to justify the spurt in the working capital requirement (segment-wise) of the company, supported by the data.

11.10. LM is advised to disclose the purpose of the loan, which is proposed to be repaid form the proceeds of the issue, in detail, along with the details of assets created/ acquired using the proceeds of the loan, if any.

12. BASIS FOR OFFER PRICE

12.1. Post determination of Price Band and offer price, LM is advised to justify the same by taking industry peer group average P/E ratio into consideration.

12.2. LM is advised to disclose the P/E ratio of the issuer for the last three financial years and include the highest, lowest, and average P/E ratios for the relevant industry.

12.3. LM is advised to disclose comparison of the issuer's EPS, P/E, RoNW, and NAV with the industry and peer group on a consolidated basis.

12.4. LM is advised to ensure that all KPIs disclosed are certified by statutory auditors / Chartered Accountants / cost accountants with valid peer review certification.

12.5. LM is advised to confirm that the KPI certificate is included in the list of material documents for inspection.

12.6. LM is advised to disclose the criteria for the selection of the peers, in clear terms. LM shall ensure that the criteria is objective and measurable.

12.7. LM is advised to disclose the EPS and diluted EPS for the last three financial years, adjusted for capital changes, including the weighted average EPS.

12.8. LM is advised to disclose the P/E ratio of the issuer for the last three financial years and include the highest, lowest, and average P/E ratios for the relevant industry.

12.9. LM is advised to disclose the impact of any bonus issue on dilution of financial ratios and justify the issue price post-dilution.

12.10. LM is advised to provide details of confirmation that all KPIs have been approved by the Audit Committee.

12.11. LM is advised to provide details of certification by statutory auditors / Chartered Accountants / cost accountants with valid peer review certification for all KPIs disclosed.

12.12. LM is advised to provide details of changes in KPIs over time, highlighting the impact of material acquisitions or disposals.

12.13. LM is advised to provide details of all KPIs shared with investors in the last three years, Audit Committee verification thereof, inclusion of any additional relevant KPIs, cross-referencing of KPIs across the DRHP, and comparisons with Indian/global peers with appropriate explanations

13. INDUSTRY OVERVIEW

13.1. LM is advised to ensure that the industry report issued by D&B and relied upon in the draft offer document is included in the list of material documents for inspection and is accompanied by a hyperlink and QR code for online access.

13.2. LM is advised to confirm that the industry report relied upon is not an extract and that no material information from the original report has been modified, omitted, or left out.

13.3. LM is advised to provide details confirming whether the Company/Promoters/Directors/KMPs are connected in any manner to the agency preparing the industry report, or an explicit negative confirmation if there is no such connection.

13.4. LM is advised to delete or modify any disclaimer that undermines the credibility of third-party publications (e.g., statements that "no investment decision should be made solely on the basis of such information" or that industry sources "may no longer be current"), noting the LM's responsibility under Regulation 70(3) of the SEBI (ICDR) Regulations, 2018 to ensure all information is current, reliable, and complete.

13.5. LM is advised to ensure that the agency responsible for preparing the industry report shall confirm and disclose that all possible challenges, weaknesses, and threats of the industry/sector associated with the issuer, including specific segments or products, are properly analyzed and disclosed in the industry report.

13.6. LM is advised to clearly qualify the source (report name, publisher, date, and page/URL) alongside each data point or statement derived from the industry report throughout the draft offer document.

14. OUR BUSINESS

14.1. Page 199 – LM is advised to disclose the data given in the table for the stub period and ensure the same across DRHP.

14.2. LM is advised to disclose the details of ongoing renewable energy projects. Further, LM is advised to disclose the details of execution team under renewable energy segment and their experience.

14.3. LM is advised to disclose the segment-wise list of completed/ ongoing projects in this section.

14.4. Page 203 – LM is advised to disclose number of projects completed for private clients for the given period.

14.5. LM is advised to disclose the locations of experience zones operated by the company.

14.6. Page 212 – LM is advised to disclose the terms (whether revenue sharing or commission based) between the company and its subsidiaries for executing EPC projects.

14.7. Page 222 – LM is advised to disclose the attrition rate of the employees.

14.8. Page 222 – LM is advised to disclose the competitors to the company for each segment.

14.9. LM is advised to disclose the payment terms regarding the experience zones operated by the company.

14.10. LM is advised to remove the factors highlighting the positions and performance of the company in the industry as per the D& Report. LM is advised to remove the use of such similar sentences in 'Our Business' section. Further, LM is advised to refrain from using any such superlative adjectives.

14.11. LM is advised to provide the organizational structure/diagram of the company and brief details about its subsidiary and/or holding company, including functional roles and interlinkages.

14.12. LM is advised to disclose any significant revenue concentration by sales channel/end-use (e.g., high dependence on aluminium products) and disclose it as an additional risk factor.

14.13. LM is advised to explain the process of due diligence undertaken while onboarding customers and vendors.

14.14. LM is advised to disclose, project-wise, the names of the partners or joint developers for all forthcoming, ongoing, and completed projects during the disclosed financial period.

14.15. LM is advised to provide the organizational structure/diagram of the company and brief details about its subsidiary and/or holding company, if any.

15. HISTORY AND CERTAIN CORPORATE MATTERS

15.1. LM is advised to disclose the reasons for each change of the issuer's name, alongside the dates already provided.

15.2. LM is advised that the following is categorically disclosed in the DRHP under section "History and Certain Corporate Matters" of the offer document that none of the special rights available to the Promoters / Shareholders would survive post listing of the Equity Shares of the Company and same shall cease to exist or shall expire / waived off at filing of RHP, without requiring any further action.

15.3. LM is advised that inter-se agreements/ arrangements between the shareholders are disclosed under section "History and Certain Corporate Matters".

15.4. LM is advised that a categorical statement from the Issuer Company/ Promoters / Shareholders, may be provided that there are no other inter-se agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders. Also that there are no other agreements, deed of assignments, acquisition agreements, SHA, inter-se agreements, agreements of like nature other than disclosed in the DRHP.

15.5. The LM shall confirm to SEBI that they have gone through the inter-se agreements/ arrangements, if any, as disclosed in the DRHP and they also do not see any clauses / covenants which are material and need to be disclosed, which have not been disclosed and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders.

15.6. LM is advised to disclose number of years and area of experience for all directors of the company.

15.7. LM is advised to disclose the payments or benefits to the promoters or the members of the promoter group for three years preceding the date of DRHP.

15.8. LM is advised to disclose, through pictorial representation, a chart on the full structure of promoters, extending through any intermediate entities, and up to the ultimate beneficial owners.

16. FINANCIAL INFORMATION

16.1. LM is advised to the details of (i) Right of use assets (ii) Other tangible assets and (iii) capital work in progress for FY 2025.

16.2. LM is advised to explain 'non-current receivables' and provide the reason for sudden spike in them for FY 2025.

17. LEGAL AND OTHER INFORMATION

17.1. LM is advised to confirm and disclose that no persons have any special rights (SR) either under AOA or in any other manner and if there are any SRs, it shall be disclosed.

17.2. LM shall update the details of status of litigation with the latest/updated position of litigations against promoter/ promoter group entities/ company and the companies promoted by the issuer.

17.3. LM is advised to confirm that the existing litigations are not so major that the issuer's survival is dependent on the outcome of the pending litigation.

17.4. LM is advised to ensure the disclosures of all actions taken by statutory and regulatory authorities.

18. GOVERNMENT AND OTHER APPROVALS

18.1. LM is advised to disclose impact of any pending approval from Government and other authorities on financials and operations of the company. Further, please quantify the impact of non-approval, if any, wherever possible.

19. RELATED PARTY TRANSACTIONS (RPT)

19.1. LM is advised to confirm: (i) all RPT are done at arm's length price and (ii) all RPT should be in compliance with the Companies Act, 2013, SEBI (LODR) Regulations, relevant Accounting Standards and other statuary compliances.

20. LM is advised to explicitly disclose any non-salary payments/benefits (other than statutorily required benefits) made to KMPs and Senior Management in the past three years or provide a clear negative statement, with page references.

21. LM is advised to provide a clear disclosure identifying all nominee directors and nominee KMPs (including the nominating shareholder for each nominee) and expressly confirm that, other than those disclosed, there are no other nominee directors/KMPs/other persons appointed on behalf of any shareholder or other person, and that any such nomination rights shall terminate on listing of the Equity Shares.

22. LM is advised to disclose full details of premises leased by the Company from Promoters/Promoter Group/Directors/KMPs/their relatives/Group companies/subsidiaries (counterparty identity, lease terms, rent paid, basis for rent, period) and include an explicit conflict-of-interest/fairness disclosure in respect of such leases.

23. LM is advised to disclose any similar or overlapping business interests of the Promoters/Directors (other companies/ventures in similar lines of business), including potential conflicts and any non-compete arrangements or absence thereof.

24. LM is advised to specify, for each board member, whether the companies in which they hold directorships are listed or unlisted, non-profit entities, or foreign companies, and disclose the country of incorporation for such foreign entities.

25. 'Industry overview': Clause 24 (3) of SEBI (ICDR) Regulations, 2018, requires that the LM shall exercise due diligence and satisfy himself about all aspects of the issue including the veracity and adequacy of disclosure in the draft offer document and the offer document. In view of the same, LM is advised to ensure that:

25.1. The draft offer document and the offer document shall not contain any information where no responsibility is taken by the LMs or the issuer company/ Expert.

25.2. The "Industry Overview" section represents a fair and true view of the comparable industry scenario and the same is neither exaggerated nor have any underlying assumptions been omitted for investors to make an informed decision.

25.3. LM is further advised to include industry report in the list of material documents for inspection and also provide a link in the offer document for online access of industry report.

26. LM is advised to include a comparison of key working capital ratios (current ratio, quick ratio, working capital turnover, cash ratio and net working capital ratio) with comparable listed peers and provide supporting justification for the projected working capital requirement.

27. LM is advised to publish an addendum regarding the loan sanctioned by IREDA, specifically detailing the conversion clause contained therein. Further, LM is advised to disclose an additional risk factor in this regard with complete details of the terms of the loan and valuation at which the loan may be converted.

28. LM is advised to confirm and disclose that variations in the object, period, or amount of utilization require shareholder approval and disclosure, and not only variations in objects.

29. Industry Overview: LM is advised to concise the content related to Global and India GDP, economic outlook and instead disclose more about the industry in which the issuer operates.

30. LM is advised to ensure that the processing fees for applications made by Retail Individual 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.

31. LM is advised to add a section on securities law applicability from the commencement of the issue process. The LM is advised to include a summary of securities law, which will apply on the company becoming an equity listed company.

32. LM is advised to provide details of any action taken or ongoing proceedings by relevant authorities on safety, environmental, or consumer protection matters in the last three years, or to include a negative statement if none. An appropriate risk factor should also be incorporated.

33. LM is advised to provide details of whether any premises are leased from Promoters/Promoter Group/Directors/KMPs/Group Companies/their relatives, along with an explicit negative confirmation if none; where applicable, include counterparty names, key terms, and a conflict-of-interest assessment.

34. LM is advised to disclose all the threats and challenges in the industry report as a Risk Factor.

35. LM is advised to provide details of any profit-sharing arrangements involving the Issuer/Promoters/Promoter Group/Directors/Shareholders (parties, mechanics, period, triggers).

36. LM is advised to disclose complete particulars of changes in auditors during the past three years, including the peer review certificate number of the outgoing auditor, in the General Information Section.

37. LM is advised to confirm explicitly that PAN, bank account numbers, passport numbers, Aadhaar and driving license numbers of the promoters have been submitted to the stock exchanges at the time of DRHP filing.

38. LM is advised to specify, for each board member, whether the companies in which they hold directorships are listed or unlisted, non-profit entities, or foreign companies, and disclose the country of incorporation for such foreign entities.

39. LM is advised to ensure that wherever financial data has been provided, it shall be is specified whether it is in lakhs or million.

40. LM is advised to include an explicit confirmation that directors (including nominee and independent directors) and KMPs are not related to any promoter, promoter group, shareholders, or other KMPs of the issuer or its group companies, and to provide details where relationships exist.

41. LM is advised to disclose the individual shareholding of each director and key managerial personnel in the issuer, including any ESOP or convertible instrument holdings, if not already clearly stated.

42. LM is advised to disclose the workforce composition by category (KMP, senior management, skilled, unskilled) and separate attrition rates for each category for the last three years.

43. LM is advised to disclose the details of insurance taken by the company including types of risk covered, sum insured and the risks as perceived by the company that are not covered under any insurance.

44. LM is advised to confirm whether any of the Independent Directors are connected or related in any manner with the promoter or promoter group or director or KMP of the company directly/ indirectly.

45. LM is advised to ensure that where trademarks or premises are used under arrangements with promoters, the board or audit committee has outlined policies for managing potential conflicts and dependencies.

46. LM is advised to clarify whether any of the top suppliers listed as top suppliers are connected to the Promoter or Promoter Group and, if so, describe the nature of the connection; if none, explicitly state that none of the top suppliers are promoter-connected.

47. LM is advised to disclose Statement regarding Auditors' qualification for previous years, if any.

48. LM is advised to disclose the absolute figures across the DRHP with percentage figures.

49. LM is advised to clearly disclose that there are no special rights of any nature.

50. LM is advised that reference to name of any place mentioned in the offer document may be followed by name of City / State, as the case may be.

51. With respect to all the complaints received by LM / company / forwarded by SEBI, LM is advised to ensure that there is adequate redressal of the complaint and relevant disclosures of the same are made in the Red Hearing Prospectus and other Offer related material along with the disclosures of the financial impact of the same, if any.

52. LM is advised to ensure that the disclosure of details of all the criminal matters initiated by or against the company, group, directors, promoters, subsidiaries which are at FIR stage and no / some cognizance has been taken by court, is incorporated in the UDRHP / RHP along with appropriate Risk Factors in this regard.

53. LM is advised to ensure following disclosures in the Issue advertisement for announcement of Price Band and all further advertisements as a box item below the price band:

"Risks to Investors:

i. The [to be disclosed] Merchant Bankers associated with the issue have handled [to be disclosed] public issues in the past three years out of which [to be disclosed] issues closed below the issue price on listing date."

ii. Any adverse data in the basis for issue price should be disclosed. For example:

- *"The Price/Earnings ratio based on diluted EPS for [latest full financial year] for the issuer at the upper end of the Price band is as high as [to be disclosed] as compared to the average industry peer group PE ratio of [to be disclosed]."*

[if average industry peer group PE ratio is not available, then P/E of Nifty Fifty may be disclosed]

- *"Average cost of acquisition of equity shares for the selling shareholders in IPO is [to be disclosed] and offer price at upper end of the price band is [to be disclosed]."*
- *"Weighted Average Return on Net Worth for [last three full financial years] is [to be disclosed] %."*

The data on above disclosures shall be updated and disclosed prominently (in the same font size as the price band) in advertisements of Price Band and all further advertisements, website of the company and the stock exchange. Further, any adverse ratio / data in basis for issue price should be disclosed.

54. LM shall submit the draft advertisement for announcement of Price Band with SEBI before its publication in the newspapers for our comments, if any.

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Annexure II
General Observations

1. LM is advised to ensure that prior to filing of RHP with Registrar of Companies, the Issuer Company has received crucial clearances / licenses / permissions / approvals from the required competent authority, which are necessary for commencement of the activity for which the issue proceeds are proposed to be utilized.

2. LM is advised to ensure that the 'Observation Letter' issued by SEBI is included among the material contracts and documents for inspection.

3. LM is advised to ensure that prior to proceeding with the issue, "No Objection Certificates" are obtained from all the lenders with whom the company has entered into an agreement and the terms of such agreement require an approval to be taken.

4. LM is advised to ensure that adequate disclosures are made to disclose any material development which may have a material effect on the Issuer Company between the date of registering final prospectus or the RHP or the letter of offer, with the Registrar of Companies or designated stock exchange, as the case may be, and the date of allotment of specified securities, while ensuring compliance with Regulation 42 and Schedule IX of SEBI (ICDR) Regulations, 2018.

5. LM is advised to ensure that exact cross-referencing of page numbers is provided in the offer document instead of general cross-referencing.

6. In terms of SEBI Circulars No. SEBI/CIR/ISD/03/2011, No. SEBI/CIR/ISD/05/2011 and SEBI/CIR/ISD/01/2012 dated June 17, 2011, September 30, 2011 and March 30, 2012 respectively, LM is advised to ensure that 100% promoter holding is in demat form prior to listing.

7. LM is advised to ensure that SCORES authentication is taken by the issuer company prior to listing.

8. In pursuance of Regulation 25 Sub-Regulation 9(a) of SEBI (ICDR) Regulations, 2018, LM is advised to certify while submitting the in-seriatim reply that all amendments, suggestions and observations advised by SEBI have been complied with and duly incorporated in the offer document, while also indicating the page number for the same.

9. **ASBA:**

9.1 LM is advised to ensure that sufficient number of Physical ASBA forms are printed and dispatched directly to all designated branches of SCSBs which are located in places of mandatory collection centers as specified in Schedule XII of SEBI (ICDR) Regulations, 2018, Syndicate Members and Registered Brokers of Stock Exchanges, the Registrars to an Issue and Share Transfer Agents (RTAs) and Depository Participants (DPs) registered with SEBI, at least two days before the opening of the issue. This shall be in addition to ASBA forms which shall be sent to controlling branch of SCSBs for sending to designated branches other than those located in mandatory collection center.

9.2 LM is advised to ensure that the ASBA mode of payment is highlighted in bold in all the advertisement / communication informing about the issue. Further, LM is also advised to ensure that the following is suitably incorporated in all advertisements / communications regarding the issue issued by the issuer:

a. The following may appear just below the price information of the issue as shown below:

"PRICE BAND: RS. xx TO RS. xx PER EQUITY SHARE OF FACE VALUE OF RS. xx EACH

THE FLOOR PRICE IS xx TIMES OF THE FACE VALUE AND THE CAP PRICE IS xx TIMES OF THE FACE VALUE

BID CAN BE MADE FOR A MINIMUM OF xx EQUITY SHARES AND IN MULTIPLES OF xx EQUITY SHARES THEREAFTER.

ASBA *

(APPLICATION SUPPORTED BY BLOCKED AMOUNT)

Simple, Safe, Smart way of Application !!!

Mandatory in public issue .No cheque will be accepted

UNIFIED PAYMENTS INTERFACE

now available in ASBA for retail individual investors.

** ASBA is a better way of applying to issues by simply blocking the fund in the bank account.*

For further details check section on ASBA below."

b. The following paragraph on ASBA may be inserted in the advertisement/Communications:

"ASBA has to be availed by all the investors except anchor investors. UPI may be availed by Retail Individual Investors.

For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Issue Procedure - Issue Procedure of ASBA Bidders" beginning on page xxx of the Red Herring Prospectus. The process is also available on the website of AIBI and Exchanges in the General Information Document."

*ASBA bid-cum application forms can be downloaded from the websites of Bombay Stock Exchange and National Stock Exchange and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in.** List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in**.*

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