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(Please scan this QR Code to view this Addendum cum Corrigendum)



TECHNOCRAFT VENTURES LIMITED

Our Company was originally incorporated as ‘Technocraft Construction Private Limited’ a Private Limited Company under the Companies Act, 1956, pursuant to a Certificate of Incorporation dated October 21, 1998, issued by the Registrar of Companies, NCT of Delhi & Haryana. thereafter, the name of our Company was changed from ‘Technocraft Construction Private Limited’ to ‘Technocraft Ventures Private Limited’ pursuant to a Board Resolution dated January 08, 2024, and a Special Resolution passed by our shareholders on January 10, 2024, and a fresh certificate of incorporation dated February 09, 2024, was issued pursuant to change of name, by the Registrar of Companies, NCT of Delhi & Haryana. subsequently, our Company was converted into a Public Limited Company pursuant to a resolution passed by our Board of Directors dated February 16, 2024, and a special resolution passed by our shareholders on March 13, 2024. Consequently, the name of our Company was changed to ‘Technocraft Ventures Limited’, and a fresh certificate of incorporation was issued to our company by the Registrar of Companies, central processing centre, on June 11, 2024. The CIN of the company is U70101DL1998PLC096763. For further details, kindly refer “Our History and Certain Corporate Matters-Brief History of our Company” beginning on page 297 of the Draft Red Herring Prospectus.

Corporate Identity Number: U70101DL1998PLC096763

Registered Office: S 553/54, Ground Floor, School Block, Shakarpur, New Delhi-110092, India,

Corporate Office: B-137, Sector-2 Noida, Gautam Buddha Nagar, Uttar Pradesh-201301, India,

Contact Person: Saket Surolia, Company Secretary and Compliance Officer; **Tel.:** +91 9211252228

E-mail: compliance@technocraftventures.com; **Website:** www.technocraftventures.com

NOTICE TO THE INVESTORS: ADDENDUM CUM CORRIGENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED AUGUST 08, 2025 (THE “DRAFT RED HERRING PROSPECTUS” OR THE “DRHP”) (“THE ADDENDUM CUM CORRIGENDUM”)

INITIAL PUBLIC OFFERING OF UP TO 11,881,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF TECHNOCRAFT VENTURES LIMITED (“OUR COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (“OFFER PRICE”) (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UP TO ₹ [●] MILLION (THE “OFFER”). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO 9,505,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY OUR COMPANY (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 2,376,000 EQUITY SHARES BY KARTIKEY CONSTRUCTIONS (PARTNERSHIP FIRM) (THE “PROMOTER SELLING SHAREHOLDER”) AND REFERRED TO AS, THE “SELLING SHAREHOLDER” (THE “OFFER FOR SALE”). THE OFFER WOULD CONSTITUTE [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A HINDI NEWS PAPER WITH WIDE CIRCULATION IN DELHI, HINDI BEING THE REGIONAL LANGUAGE OF NCT OF DELHI & HARYANA, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”).

This Addendum cum Corrigendum is in reference to the Draft Red Herring Prospectus filed with SEBI and the Stock Exchanges in relation to the Offer. Potential Bidders may note the following:

Our Company had filed the Draft Red Herring Prospectus dated August 08, 2025, with SEBI and the Stock Exchanges. Pursuant to certain observations received from SEBI and Stock Exchanges, along with certain updates, revisions have been made to the sections titled “Definitions and Abbreviations”, “Summary of Offer Document”, “Risk Factors”, “Summary of Restated Consolidated Financial Information”, “Our Business” and “Material Contracts and Documents for Inspection” beginning on pages 02, 28, 39, 85, 228 and 562 respectively, of the Draft Red Herring Prospectus. Potential Bidders may note that in order to assist the Bidders to get a complete understanding of the updated information, the updated relevant portions of the sections mentioned above have been included in this Addendum cum Corrigendum.

The changes conveyed by way of this Addendum cum Corrigendum are to be read in conjunction with the Draft Red Herring Prospectus and, accordingly, the corresponding references in the Draft Red Herring Prospectus stand updated pursuant to this Addendum cum Corrigendum. The information in this Addendum cum Corrigendum supplements the Draft Red Herring Prospectus and updates the information in the Draft Red Herring Prospectus, as applicable. However, this Addendum cum Corrigendum does not purport to, nor does it, reflect all the changes that have occurred from the date of filing of the Draft Red Herring Prospectus and the date of this Addendum cum Corrigendum. Accordingly, this Addendum cum Corrigendum does not include all the changes and/or updates that will be included in the Red Herring Prospectus and the Prospectus as and when filed with the RoC, the SEBI and the Stock Exchanges.

Please note that all details and the information included in the Draft Red Herring Prospectus will be suitably updated, including to the extent updated by way of this Addendum cum Corrigendum, as may be applicable, in the Red Herring Prospectus and the Prospectus, as and when filed with the RoC, SEBI and the Stock Exchanges. Investors should not rely on the Draft Red Herring Prospectus or this Addendum cum Corrigendum for any investment decision, and should read the Red Herring Prospectus, as and when it is filed with the RoC, SEBI and the Stock Exchanges before making an investment decision with respect to the Offer.

This Addendum cum Corrigendum has been approved and adopted by the Board in their meeting dated October 15, 2025.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, (the “U.S. Securities Act”) or any state securities laws in the United States, and unless so registered, and 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 U.S. state securities laws.

Accordingly, the Equity Shares are 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 such offers and sales are made. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

This Addendum cum Corrigendum which has been filed with SEBI and the Stock Exchanges shall be made available to the public for comments, if any, for a period of at least 21 days, from the date of such filing with SEBI and will be available on their website www.sebi.gov.in, the websites of the Stock Exchanges i.e., www.nseindia.com, www.bseindia.com, the website of the Company i.e. www.technocraftventures.com, and the website of BRLM, i.e., Khambatta Securities Limited at www.khambattasecurities.com.

All capitalized terms used in this Addendum cum Corrigendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus

For **Technocraft Ventures Limited**
On behalf of the Board of Directors

Place: New Delhi
Date: October 15, 2025

Sd/-
Saket Surolia
Company Secretary and Compliance Officer

BOOK RUNNING LEAD MANAGER		REGISTRAR TO THE ISSUE	
			
Khambatta Securities Limited 806, World Trade Tower, Tower B, Noida Sector-16, Uttar Pradesh-201301, India Tel.: +91 9953989693; 0120 4415469 E-mail : ipo@khambattasecurities.com Website: www.khambattasecurities.com Investor grievance e-mail: mbcomplaints@khambattasecurities.com Contact Person: Chandan Mishra/Shubhra SEBI Registration Number: INM000011914		Bigshare Services private Limited Office No. S-62, 6th floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093 Tel: +91 22 6263 8200 E-mail: ipo@bigshareonline.com Website: www.bigshareonline.com Investor grievance e-mail: investor@bigshareonline.com Contact Person: Babu Rapheal C SEBI Registration No.: INR000001385	
BID / OFFER PROGRAMME			
ANCHOR INVESTOR BID/ OFFER PERIOD		[●]*	
BID / OFFER OPENS ON		[●]	
BID / OFFER CLOSES ON		[●]**^	

*Our Company in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.

The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.

**Our Company in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

^The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

The following definitions shall be added in the section titled “Definitions and Abbreviations” on page 4 and 15 of the Draft Red Herring Prospectus.

Offer Related Terms

Term	Description
Addendum cum Corrigendum	This Addendum cum Corrigendum dated October 15, 2025 to the Draft Red Herring Prospectus dated August 08, 2025.

Technical, Industry and business-related terms or Abbreviations

Term	Description
DLB	Directorate of Local Bodies
LEI	Legal Entity Identifier

SUMMARY OF OFFER DOCUMENT

The sub-section titled “Risk Factors”, “Summary of Contingent Liabilities and Commitments”, “Pre-IPO Placement”, “Summary of Related Party Transactions” and “Details of our Financial KPIs for The Financial Years 2025, 2024 and 2023” beginning on pages 32, 32, 32, 33 and 37, respectively of the Draft Red Herring Prospectus, shall be replaced with the following by the sub-sections below:

RISK FACTORS

Summary of top ten Risk Factors, in their order of materiality are as follows:

Sr. No.	Description of Risk
1.	Our business is significantly dependent on contracts awarded under Government programmes and by Government authorities, and any failure or delay in securing, executing or collecting payments under such contracts could materially and adversely affect our business, financial condition, cash flows and results of operations.
2.	Our ability to secure projects is dependent on successful qualification and bidding under government tendering processes, and any failure to qualify or win tenders may adversely affect our order book and financial performance.
3.	We are yet to utilise requisite amount towards Corporate Social Responsibility (“CSR”), and failure to do within the prescribed time periods may attract penalties, regulatory scrutiny and adversely affect our reputation.
4.	There are outstanding legal proceedings involving our Company, Directors, Promoters, KMPs and SMPs which may adversely affect our business, financial conditions, and results of operations.
5.	Our operations are working capital intensive, and any shortfall or delay in availability of funds may adversely affect our project execution and financial performance.
6.	Our Company was incorporated in the year 1998 and some of our corporate records including forms filed with the Registrar of Companies are not traceable & we have not filed certain forms with Registrar of Companies. Certain forms we cannot assure you that these forms filings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect which may impact our financial condition and reputation.
7.	Our growth is significantly dependent on leveraging government initiatives in the water and wastewater infrastructure sector, and our inability to capitalize on these opportunities could adversely affect our business prospects.
8.	Our business is subject to seasonal fluctuations that could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment’s.
9.	Our business is largely concentrated in two states (“States”) and is affected by various factors associated with these states.
10.	Our reliance on contract labour introduced through sub-contractors may create operational uncertainties and impact project timelines and cost efficiency.

Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For details kindly refer “Risk Factors” beginning on page 39 of the Draft Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES AND COMMITMENTS

The details of our contingent liabilities (as per Ind AS 37) as at March 31, 2025, derived from the Restated Consolidated Financial Information are as set out below:

(₹ in million)

Particulars	As at March 31, 2025
A) Disputed claims/levies in respect of Income tax against which Rectification application is filed except for the Assessment year 2024-25 before jurisdictional Assessing Officer.	
For the Assessment year 2024-25, the rectification application is yet to be filed as the TDS from the principal is not reflected in the 26AS of the Company, the company will file the rectification application with the Income Tax Department	
A.Y 2024-25	7.34
A.Y 2023-24	1.16
A.Y 2018-19	0.13
B) Disputed claims/levies in respect of Goods and Services Tax)	
Appeal filed of GST (Rajasthan) Interest Liability of FY 2023-2024	21.74
Appeals filed of GST (Rajasthan) Tax Assessment of FY 2018-2019	0.97
Gst Liability (U.P) on account of differential amount of GST @ 6% and 18% on the supply/Services made to the department (UP Jal Nigam) in compliance to DGGI Meerut Proceedings, against which writ petition is yet to be filed before the High Court for the period Jan 2022 to July 2022.	Amount not quantifiable
Total	31.34

As certified by Rishi Kapoor & Company, Chartered Accountants pursuant to their certificate dated August 04, 2025 vide UDIN 25455362BMGILN1743.

(₹ in million)

GUARANTEES			
Particulars	As at		
	31-Mar-25	31-Mar-24	31-Mar-23
A) Bank Guarantees	1,113.16	792.27	595.55
Total	1,113.16	792.27	595.55

As certified by Rishi Kapoor & Company, Chartered Accountants pursuant to their certificate dated August 04, 2025 vide UDIN 25455362BMGILN1743.

For further details, kindly refer “Restated Consolidated Financial Information– Annexure 46 – Contingent Liabilities” beginning on page 398.

PRE-IPO PLACEMENT

Our Company has not undertaken any Pre-IPO placement of Equity Shares in the past and are not contemplating any such placement prior to the proposed Initial Public Offering of Equity Shares.

Summary of Related Party Transactions

A summary of related party transactions entered into by our Company with related parties and as disclosed in the Restated Consolidated Financial Information for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 as per Ind AS 24 – Related Party Disclosures read with SEBI ICDR Regulations are as follows is set forth below:

(₹ in million, except for percentage)

Sr. No.	Particulars	Relationships	Financial Year Ended					
			31-Mar-25		31-Mar-24		31-Mar-23	
			Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
A.	Transactions during the year							
(i)	Purchase & Job Work							
	Sanjay Tyagi HUF	Enterprises significantly influenced by KMP & and their relatives	-	-	-	-	1.59	0.09
	VVIP Infratech Limited (Formerly Known as Vibhor Vaibhav Infra Private Limited)	Group Company	657.43	23.52	606.03	26.80	621.81	34.80
(ii)	Salary paid							
	Key Managerial Personnel & Director							
	Mr. Kartikey Tyagi	Director*	6.00	0.21	2.40	0.11	-	-
	Ms. Rekha Tyagi	Executive Director	3.00	0.11	2.40	0.11	1.50	0.08
	Mr. Sanjay Tyagi	Managing Director	12.00	0.43	9.00	0.40	6.60	0.37
	Relative of Key Managerial Personnel & Director							
	Ms. Vartika Tyagi	Daughter of Mr. Sanjay Tyagi, Managing Director	3.00	0.11	-	-	1.80	0.10
	Mr. Kartikey Tyagi	Director*	-	-	-	-	1.80	0.10

(iii)	Interest paid							
	Mr. Kartikey Tyagi	Director*	0.66	0.02	0.36	0.02	0.18	0.01
	Ms. Rekha Tyagi	Executive Director	6.50	0.23	4.80	0.21	6.35	0.36
	Mr. Sanjay Tyagi	Managing Director	11.14	0.40	6.27	0.28	4.06	0.23
	Sanjay Tyagi HUF	Enterprises significantly influenced by KMP & and their relatives	1.21	0.04	1.12	0.05	0.37	0.02
	Ms. Vartika Tyagi	Daughter of Mr. Sanjay Tyagi, Managing Director	0.67	0.02	0.49	0.02	0.22	0.01
(iv)	Other Expenses							
	Ms. Vartika Tyagi	Daughter of Mr. Sanjay Tyagi, Managing Director	-	-	1.95	0.09	-	-
(v)	Lease Rentals Paid							
	Ms. Rekha Tyagi	Executive Director	1.40	0.05	1.45	0.06	1.32	0.07
	Mr. Sanjay Tyagi	Managing Director	0.61	0.02	0.66	0.03	0.60	0.03
(vi)	Revenue from operations							
	TESPL LRS TCPL -JV	Associate (Partnership Firm)	163.53	5.85	147.66	6.53	-	-
	VVIP Infratech Limited (Formerly Known as Vibhor Vaibhav Infra Private Limited)	Group Company	507.85	18.17	431.48	19.08	2.16	0.12
(vii)	Profit /(Loss) from Associates				0.00%			
	Profit on TESPL-LRS-TCPL (JV)	Associate (Partnership Firm)	5.19	0.19	2.82	0.12	(0.02)	-
	Profit on Krishna TCPL (JV)	Associate (Partnership Firm)	0.00	-	0.00	-	0.00	-
(viii)	Loan Taken							
	Mr. Sanjay Tyagi	Managing Director	33.40	1.19	75.05	3.32	37.40	2.09
	Ms. Rekha Tyagi	Executive Director	9.45	0.34	17.40	0.77	14.40	0.81
	Mr. Kartikey Tyagi	Director*	8.20	0.29	6.16	0.27	3.80	0.21

	Sanjay Tyagi HUF	Enterprises significantly influenced by KMP & and their relatives	9.50	0.34	11.20	0.06	9.58	0.07
	Ms. Vartika Tyagi	Daughter of Mr. Sanjay Tyagi, Managing Director	4.00	0.14	0.00	-	3.85	0.07
(ix)	Repayment of Loan & TDS							
	Mr. Sanjay Tyagi	Managing Director	39.85	1.43	16.41	0.73	59.70	3.34
	Ms. Rekha Tyagi	Executive Director	2.51	0.09	1.83	0.08	68.13	3.81
	Mr. Kartikey Tyagi	Director*	5.63	0.20	4.24	0.19	3.01	0.17
	Sanjay Tyagi HUF	Enterprises significantly influenced by KMP & and their relatives	6.97	0.25	10.59	0.06	7.14	0.40
	Ms. Vartika Tyagi	Daughter of Mr. Sanjay Tyagi, Managing Director	0.72	0.03	0.47	0.06	0.42	0.02
(x)	Purchase of Fixed Assets							
	VVIP Infratech Limited (Formerly Known as Vibhor Vaibhav Infra Private Limited)	Enterprises significantly influenced by KMP & and their relatives	-	-	0.85	0.04	-	-

**As on the date of the Draft Red Herring Prospectus, he is Whole Time Director & Chief Financial Officer of the Company.*

As certified by Rishi Kapoor & Company, Chartered Accountants pursuant to their certificate dated August 04, 2025 vide UDIN 25455362BMGILL9146.

Further, all related-party transactions disclosed above have been reviewed and approved by the Audit Committee of our Company at its meeting held on March 13, 2025, in compliance with Section 177 of the Companies Act, 2013, as amended.

For further details, kindly refer “Restated Consolidated Financial Information– Annexure 44 – Related Party Transactions” beginning on page 395 of Draft Red Herring Prospectus.

Summary of Restated Consolidated Financial Information

The summary of selected financial information of the Company derived from the Restated Consolidated Financial Information is set forth below:

(₹ in million)

Particulars	For the Financial Year ended		
	March 31, 2025	March 31, 2024	March 31, 2023
Equity Share Capital	75.25	75.25	75.25
Net Worth ⁽¹⁾	1,199.83	917.78	727.34
Revenue from Operations	2,795.64	2,261.02	1,786.91
Profit/(Loss) after Tax for the year	282.04	190.54	108.06
Earning per Equity Share (Face Value ₹ 10 each)			
-Basis (in ₹)	9.37	6.33	3.59
-Diluted (in ₹)	9.37	6.33	3.59
Net Asset Value per Equity Shares (face value ₹ 10 each) (in ₹) ⁽²⁾	39.86	30.49	24.16
Net Borrowings ⁽³⁾	869.17	789.89	480.89

⁽¹⁾Net Worth: Net worth means the aggregate value of the paid-up share capital, equity suspense account 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, debit or credit balance of common control adjustment deficit account, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

⁽²⁾NAV means Net asset value (NAV) per share is computed as the closing net worth divided by number of Equity Shares outstanding at the end of financial year, as adjusted for bonus issue of Equity Shares.

⁽³⁾Net Borrowings = non-current borrowing + current borrowing — Cash and Cash Equivalent.

For further details, kindly refer “Restated Consolidated Financial Information” and “Other Financial Information” beginning on pages 331 and 426, respectively of the Draft Red Herring Prospectus.

SECTION II – RISK FACTORS

The section titled “Risk Factors” beginning on page 39 of the Draft Red Herring Prospectus shall stand replaced with the following:

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in the Draft Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. If any of the following risks, as well as the other risks and uncertainties discussed in the Draft Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.

The Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of or deem immaterial, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the Offer, including the merits and risks involved. 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. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. Investors should not invest in this Offer unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

To obtain a better understanding of our business, you should read this section in conjunction with other chapters of the Draft Red Herring Prospectus, including the chapters titled “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Restated Consolidated Financial Information” beginning on page 228, 444, 152 and 331 respectively, of the Draft Red Herring Prospectus, together with all other financial information contained in the Draft Red Herring Prospectus. 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 the Draft Red Herring Prospectus.

Unless otherwise stated, the financial data in this chapter is derived from our Restated Consolidated Financial Information for the Fiscal 2025, 2024 and 2023 as included in “Restated Consolidated Financial Information” beginning on page 331 of the Draft Red Herring Prospectus.

Unless stated otherwise, industry and market data used in the Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the report titled “Assessment of infrastructure construction industry in India with focus on water and wastewater management” dated August 05, 2025 prepared by Crisil Intelligence (“CRISIL”) (“CRISIL Report”), which was appointed by our Company vide engagement letter dated April 10, 2025 and has been exclusively commissioned and paid for by our Company in connection with the Offer. 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.

Internal Risk Factors

- 1. Our business is significantly dependent on contracts awarded under Government programmes and by Government authorities, and any failure or delay in securing, executing or collecting payments under such contracts could materially and adversely affect our business, financial condition, cash flows and results of operations.***

A substantial portion of our revenues is derived from contracts awarded by Central and State Governments, local authorities and under Government-led schemes such as the Atal Mission for Rejuvenation and Urban Transformation (“AMRUT”), Jal Jeevan Mission (“JJM”), Namami Gange and Pradhan Mantri Gram Sadak Yojana (“PMGSY”). Our order book is therefore highly dependent on Government budgetary allocations and policy priorities. Any reduction or reallocation in public spending, delay in issuance of tenders, change in pre-qualification norms, or cancellation of awarded projects could materially reduce our pipeline of opportunities.

As our majority of revenue generated through the government tenders so the Company’s trade receivables constitute only receivables from governments:

(₹ in million)

Particulars	Financial Year 2025	Financial Year 2024	Financial Year 2023
Trade Receivables	581.84	1,001.83	509.04
Revenue from operations	2,795.64	2,261.02	1,786.91
Trade Receivables as % of revenue from operations	20.81	44.31	28.49

Further, the execution of large infrastructure projects involves significant operational challenges, including adherence to strict timelines, technical specifications and environmental standards. Any inability to mobilise adequate resources, obtain timely approvals, or address site-specific constraints may lead to cost overruns, penalties, or invocation of performance guarantees. Unforeseen factors such as adverse weather, land acquisition delays, labour availability and supply chain disruptions may also materially affect execution schedules.

In addition, our projects are typically characterised by long receivable cycles and milestone-based payments from Government authorities. Delays in certification of work done, disputes on variation claims, or fiscal constraints of the awarding authority can lead to extended collection timelines and working capital pressures. While we generally maintain performance securities and bank guarantees, prolonged delays or deductions may adversely affect our liquidity and financial position.

While our Company has not experienced any material delay, disputes, or non-recoveries of receivables from Government authorities in the past in relation to such contracts, there can be no assurance that similar instances will not arise in the future. Given our high exposure to Government contracts and the operational and financial risks inherent therein, any inability to timely secure, execute, or realise payments on such projects could have a material adverse effect on our business, financial condition, cash flows, and results of operations.

For further details of our order book and contract terms, kindly refer “*Our Business – Our Order Book*” on page 232 of the Draft Red Herring Prospectus.

- 2. Our ability to secure projects is dependent on successful qualification and bidding under government tendering processes, and any failure to qualify or win tenders may adversely affect our order book and financial performance.***

We participate in public infrastructure development projects primarily through competitive bidding processes conducted by central and state government agencies, Urban Local Bodies (“ULBs”), and public sector undertakings. Our ability to win such projects—including those in wastewater treatment, water supply, electrical transmission and distribution, road construction, microtunneling, and housing infrastructure is contingent upon meeting technical and financial qualification criteria either independently or through joint venture arrangements.

The table below sets forth details of the bids submitted by us and the corresponding conversion metrics for the financial years indicated:

Solo bid by the Company:

Particulars	Financial Year 2025	Financial Year 2024	Financial Year 2023	Total
Bids submitted	11	14	12	37
Less: Cancelled/ Awaited/ Pending Result	2	8	4	14
Net bids submitted	9	6	8	23
Awarded	5	1	0	6
Successful Conversion of Bids (in %)	45.45	16.66	0	16.22

As lead partner:

Particulars	Financial Year 2025	Financial Year 2024	Financial Year 2023	Total
Bids submitted	1	3	0	4
Less: Cancelled/ Awaited/ Pending Result	0	0	0	0
Net bids submitted	1	3	0	4
Awarded	0	3	0	3
Successful Conversion of Bids (in %)	0	100.00	0	75.00

As JV partner:

Particulars	Financial Year 2025	Financial Year 2024	Financial Year 2023	Total
Bids submitted	3	2	1	6
Less: Cancelled/ Awaited/ Pending Result	1	2	0	3
Net bids submitted	2	0	1	3
Awarded	0	0	1	1
Successful Conversion of Bids (in %)	0	0	100.00	16.66

While we selectively bid for projects that align with our strategic priorities and resource capacity, there can be no assurance that we will continue to pre-qualify or emerge successful in the bidding process. In particular, for high-value or technically complex projects such as sewage treatment plants (“STPs”) of high capacity such as 56 MLD plus, multi-zone water transmission networks, high-voltage substation works, or multilateral-funded tenders, further we may need to form joint ventures to meet eligibility norms for the projects of STPs having more than 60 MLD. Inability to forge timely and competitive consortiums may limit our ability to pursue such projects.

Further, public tender processes are often subject to change in qualification benchmarks, delays in issuance, or cancellation of tenders altogether. The time and cost invested in bid preparation may not always result in contract awards, which could impact our resource utilization and financial results. Delays in project awarding or declaration of appointed dates even where we are successful can result in under-deployment of labour and equipment, increasing our overheads and affecting margins.

Additionally, awarded projects may be challenged by unsuccessful bidders through legal proceedings. While we have not experienced adverse outcomes or termination of awarded contracts due to such litigation, we cannot assure that future legal disputes will not result in delays or cancellations. Defending such claims may also require

us to incur significant time and expenditure, and any unfavourable ruling could have a material adverse effect on our operations, revenue, and profitability.

For further details, kindly refer “Our Business – Our Order Book” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on pages 232 and 444 respectively, of the Draft Red Herring Prospectus.

3. We are yet to utilise requisite amount towards Corporate Social Responsibility (“CSR”), and failure to do within the prescribed time periods may attract penalties, regulatory scrutiny and adversely affect our reputation.

In terms of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors specifies the thresholds for incurring the prescribed minimum CSR expenditure and reports the same in the Board’s Report. For the last three Fiscals i.e. 2025, 2024 and 2023, our Company fell within the applicability criteria for CSR obligations, however our Company is yet to utilise the CSR amount for stated period towards CSR activities.

For further details, kindly refer “Restated Consolidated Financial Information” beginning on page 331 of the Draft Red Herring Prospectus.

We have incurred ₹ 0.15 million towards CSR activities for the financial year ended March 31, 2025, the details of previous financial years are as under:

(₹ in million)

Particulars	For the financial year ended		
	2025	2024	2023
(a) Provision for Corporate Social Responsibility for Current Year	3.33	1.95	1.51
(b) Amount of expenditure incurred during the year	0.15	-	-
(c) Amount deposited in Corporate Social Responsibility Account *	1.52	1.52	1.46
(d) Carried Forward Provision of Corporate Social Responsibility of Previous Years	6.36	4.41	2.89
(e) Total provision of Corporate Social Responsibility (Net) as per Annexure 30 (a-b+d)	9.55	6.36	4.41

**Section 135(6) of the Companies Act, 2013 mandates that any unspent Corporate Social Responsibility (CSR) funds allocated for ongoing projects must be transferred by the company within 30 days from the end of the financial year to a special account called the "Unspent Corporate Social Responsibility Account." This account must be opened in a scheduled bank and is designated specifically for CSR purposes. The unspent amount in this account must be utilized for the intended CSR activities within a period of three financial years from the date of transfer. If the company fails to utilize the funds within this period, the remaining unspent amount must be transferred to a fund specified in Schedule VII of the Act within 30 days from the completion of the third financial year.*

Details of amount transferred to the unspent CSR account opening dates:

(₹ in million)

Particulars	Unspent CSR Account Opening Date	Amount
CSR Amount pertaining to FY 2020-21	29.03.2023	1.46
CSR Amount pertaining to FY 2021-22	29.04.2023	1.52
CSR Amount pertaining to FY 2022-23	18.08.2024	1.52
CSR Amount pertaining to FY 2023-24	26.04.2025	1.95
Total		6.45

Any failure to comply attracts penalties under Section 135(7) of the Companies Act, 2013, in addition to reputational risks and possible adverse consequences for stakeholder perception, including our ability to participate in Government contracts or tenders.

As per the Management of the Company, due to technical reasons, the company was unable to open the CSR account with the bank on time, and hence, the account was opened at a later date. Out of the total amount deposited in "Unspent Corporate Social Responsibility Account" (as mentioned in the above table), the company has spent a total of ₹ 0.15 million till 31.03.2025. Further, the company has also made total expenditure of ₹ 3.33 million for CSR during FY 2025-26. This expenditure aligns with the company's CSR policy and is in compliance with the provisions outlined in Section 135 of the Companies Act, 2013. The balance amount of ₹3.21 million (including interest earned on FDR of ₹ 0.24 million) is in "Unspent Corporate Social Responsibility Account" and the company is currently in the process of utilizing these funds in alignment with the approved CSR policy and the objectives of the respective ongoing projects. The CSR Committee of the Board has been tasked with monitoring utilisation of CSR funds to ensure compliance with statutory timelines, and the Board has resolved to periodically review CSR compliance going forward.

Details of balance amount in Unspent CSR Account:

(₹ in million)	
Particulars	Amount
Amount in "Unspent Corporate Social Responsibility Account" in Scheduled Bank (A)	6.45
Less : Amount paid in 31.03.2025 out of Unspent CSR Account (B)	0.15
Less : Amount paid after 31.03.2025 out of Unspent CSR Account (C)	3.33
Total (D=A-B-C)	2.97
Interest on FDR credited in Unspent CSR Account (E)	0.24
Balance amount in "Unspent Corporate Social Responsibility Account" (D+E)	3.21

As per the management of the company, with respect to the CSR obligation of ₹ 3.33 million for the financial year ended March 31, 2025, the company is permitted to either spend the amount up to March 31, 2026 or to deposit the amount in unspent CSR Account within the time prescribed as per the provision of section 135 of the Companies Act 2013.

Any future failure to comply with the CSR provisions, including timely utilisation of unspent amounts, may attract regulatory action, adversely affect our reputation, and have a material adverse effect on our business and financial condition.

4. *There are outstanding legal proceedings involving our Company, Directors, Promoters, KMPs and SMPs which may adversely affect our business, financial conditions, and results of operations.*

There are proceedings pending at different levels of adjudication before various courts, enquiry officers and appellate forums. Such proceedings could divert management's time, attention and consume financial resources in their defense. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition, and result of operations. A summary of the outstanding proceedings involving our Company, Directors, Promoters, KMPs and SMPs as disclosed in the Draft Red Herring Prospectus, to our extent quantifiable, have been set out below:

Name	Number of Criminal proceedings	Number of Tax proceedings	Number of Statutory or regulatory actions	Number of Disciplinary actions by the SEBI or Stock Exchanges against our	Number of Material civil litigation **	Aggregate amount involve* (₹ in million)
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				Promoters in the last five years		
Company						
By our Company	5	05	Nil	Nil	3	284.30
Against our Company	Nil	06***	Nil	Nil	Nil	31.34
Directors other than Promoters						
By our Directors	Nil	Nil	Nil	Nil	Nil	N.A.
Against our Directors	Nil	Nil	Nil	Nil	Nil	N.A.
Promoters						
By the Promoters	Nil	Nil	Nil	Nil	Nil	N.A.
Against the Promoters	3	1	Nil	Nil	Nil	0.06
Key Managerial Personnel other than Promoters						
By our Key Managerial Personnel	Nil	Nil	Nil	Nil	Nil	N.A.
Against our Key Managerial Personnel	Nil	Nil	Nil	Nil	Nil	N.A.
Senior Management						
By our Senior Management	Nil	Nil	Nil	Nil	Nil	N.A.
Against our Senior Management	02	Nil	Nil	Nil	Nil	N.A.

* Amount to the extent quantifiable

** In accordance with the Materiality Policy

*** These are income tax demand notices against our Company

For further details, kindly refer “*Outstanding Litigation and Material Developments*” beginning on page 479 of the Draft Red Herring Prospectus.

5. ***Our Company was incorporated in the year 1998 and some of our corporate records including forms filed with the Registrar of Companies are not traceable & we have not filed certain forms with Registrar of Companies. Certain forms we cannot assure you that these forms filings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect which may impact our financial condition and reputation.***

Our Company is unable to trace certain corporate records and documents in relation to our Company including forms filed with the Registrar of Companies (RoC), which are mentioned below, on the basis of search report dated August 08, 2025 issued by R & D Company Secretaries, Practicing Company Secretary, vide UDIN F007775G000965149:

1. Annual return for the financial year 2004-05.
2. Form 2 for return of allotment dated March 31, 2000 in the Financial Year 1999-2000.
3. Form 2 for return of allotment dated August 31, 2000 in the Financial Year 2000-01.

4. The shareholders list forming part of the annual returns dated September 29,1999 and September 29, 2008.

5. Form 5 pertaining to increase in Authorised Share Capital from ₹ 3.20 million to ₹ 5.00 million during the Financial Year 1999-2000.

There have also been following instances wherein the disclosures made in statutory filings done under Companies Act, 1956/ 2013 are incomplete or erroneous in nature, and revised filing for the same has not been done by our Company:

Form 2 for return of allotment dated January 02, 2007 along with the list of allottees has been erroneously filed.

Further, due to change in methods of record keeping with the concerned RoC, certain forms filed with RoC prior to the year 2006, could not be traced by our Company from RoC records. Under the circumstances elaborated above, our Company cannot assure you that the filings were made in a timely manner, or the information gathered through other available documents of our Company are correct. Also, our Company may not be in a position to attend to and / or respond appropriately to any legal matters pertaining to such period and relating to such documents which have been lost and to that extent the same may adversely affect our business operations.

While no legal proceedings or regulatory action has been initiated against our Company in relation to the unavailable filings and statutory lapses as of the date of the Draft Red Herring Prospectus, we cannot assure you that such proceedings or regulatory actions will not be initiated against our Company in the future in relation to the missing filings and corporate records. The actual amount of the penalty which may be imposed or loss which may be suffered by our Company cannot be ascertained at this stage and depends on the circumstances of any potential action which may be brought against our Company. We cannot assure you that any such proceedings will not have a material adverse effect on our financial condition or reputation.

Following are the non-compliances related to filing of respective forms with Registrar of Companies:

1. Requisite E-Forms for the re-appointment of Sanjay Tyagi as Managing Director dated September 30, 2011, September 30, 2016 and November 30, 2021, were not filed.

2. Sanjay Tyagi was erroneously appointed as the Chairman of the Board of directors on May 29, 2025 and DIR 12 for the same was wrongly filed as it was not required as per section 203 of the Companies Act 2013, however the same has been resigned from the post of chairman of Company w.e.f. June 12, 2025.

3. Kartikey Tyagi was appointed as an Additional Director of the Company w.e.f. January 19, 2022, and was not regularized at the ensuing Annual General Meeting, however his appointment was regularized in the EGM held on February 06, 2023. He resigned from the post of Director w.e.f. March 17, 2023. Thereafter, he was appointed as an Additional Director of the Company w.e.f. May 29, 2023 and was not regularized at the ensuing Annual General Meeting, he was subsequently regularized as a Director in the EGM held on January 06, 2024.

We hereby confirm that, in the past we have not faced any legal proceedings and no penalty has been imposed on us by RoC or Ministry of Corporate Affairs (MCA) related to RoC compliances. No show cause notice has been issued, in case penalty is imposed then it will have an impact on the financial position of our Company.

Additionally, there have been instances where e-forms were required to be filed with the RoC on and before the due date, however e-forms were not filed by our Company on the due date. The table below sets forth the details with respect to additional fee paid by our Company due to late filing of certain RoC e-forms:

Financial Year	Form Name	Due Date	Date of filing	Normal Fees (in ₹)	Additional Fees (in ₹)
2025-26	CHG-1	01.04.2025	05.04.2025	600	3600
	MGT-14	14.08.2024	07.06.2025	600	7200
	MGT-14	22.08.2024	08.06.2025	600	7200
	MGT-14	14.08.2024	14.06.2025	600	7200
	DIR-12	21.05.2025	03.06.2025	600	1200
	MGT-14	21.05.2025	03.06.2025	600	1200

	DIR-12	14.08.2024	07.06.2025	600	7200
	MGT-14	14.08.2024	07.06.2025	600	7200
	MGT-14	23.04.2025	05.05.2025	600	1200
	MGT-14	24.06.2024	29.05.2025	600	7200
	MGT-14	01.11.2024	29.05.2025	600	7200
	MGT-14	04.12.2024	29.05.2025	600	6000
	MGT-14	23.01.2025	29.05.2025	600	6000
	MGT-14	23.01.2025	29.05.2025	600	6000
	MGT-14	02.10.2024	30.05.2025	600	7200
	MGT-14	01.11.2024	19.06.2025	600	7200
	INC-22	03.03.2025	28.04.2025	600	2400
	MR-1	13.06.2025	22.07.2025	600	1200
	MGT-14	13.05.2024	22.07.2025	600	3600
2024-25	CHG-1	10.05.2024	20.06.2024	600	3600
	CHG-1	10.05.2024	20.06.2024	600	3600
	CHG-1	10.05.2024	20.06.2024	600	3600
	CHG-1	05.11.2024	06.11.2024	600	3600
	MGT-7	29.11.2024	22.12.2024	600	2300
	AOC-4 XBRL	30.08.2024	31.12.2024	600	2300
	PAS-6	29.11.2024	13.02.2025	600	3600
	CRA-2	30.09.2024	18.02.2025	600	6000
	CRA-2	30.09.2023	18.02.2025	600	7200
	CRA-2	30.09.2022	18.02.2025	600	7200
	CRA-2	30.09.2021	18.02.2025	600	7200
	CRA-2	30.12.2020	17.02.2025	600	7200
	CRA-2	30.09.2019	17.02.2025	600	7200
	CRA-4	02.10.2024	29.03.2025	600	6000
	CRA-4	05.10.2023	28.03.2025	600	7200
	CRA-4	27.10.2022	27.03.2025	600	7200
2023-24	CHG-4	21.06.2023	07.09.2023	600	6000
	CHG-4	26.08.2023	12.09.2023	600	1200
	AOC-4 XBRL	30.08.2023	16.12.2023	600	4800
	INC-27	12.04.2024	04.05.2024	600	2400
2022-23	AOC-4 XBRL	30.09.2021	09.04.2022	600	10100
	CHG-1	24.03.2022	21.05.2022	600	3600
	CHG-4	27.04.2022	15.06.2022	600	2400
	CHG-4	27.04.2022	07.07.2022	600	2400
	ADT-1	15.12.2021	12.11.2022	600	7200
	AOC-4 XBRL	30.09.2022	23.12.2022	600	5500
	CHG-4	16.06.2022	29.12.2022	600	6000
	CHG-4	14.11.2022	29.12.2022	600	1200
	CHG-4	04.09.2022	03.03.2023	600	7200

The above data has been taken from search report dated August 08, 2025 issued by R & D Company Secretaries, Practicing Company Secretary, vide UDIN F007775G000965149. For further details, kindly refer "Material Contracts and Documents for Inspection" beginning on page 562 of the Draft Red Herring Prospectus.

No show cause notice in respect to the above (non-filing, delayed filing and erroneous filing) has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. Our Company may be required to file/ re-file the e-forms not filed/ erroneously filed, as the case may be, with additional fees and penalties. Our Company and its Directors and Key Managerial Personnel may face action

against above non-filing, delayed filing or erroneous filing, which may cause a material effect on our results, operations and financial position. Our Company has appointed a Company Secretary & Compliance Officer for statutory compliances, however, it cannot be assured, that there will not be such instances in the future, or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. We will ensure timely compliance in the future, our Company Secretary shall oversee all legal and compliance matters and will make sure to timely comply with all the requirements under the relevant laws and regulation.

6. *Our Company has reported certain negative cash flows from its investing activities and financing activities, details of which are given below. Sustained negative cash flow could impact our growth and business.*

Our Company had reported certain negative cash flows from our investing activities and financing activities in previous years as per the restated consolidated financial information and the same are summarised as under:

(₹ in million)

Particulars	For the financial year ended March 31,		
	2025	2024	2023
Cash flow from Investing Activities	(126.38)	2.63	62.03
Cash flow from Financing Activities	(96.55)	(32.56)	(140.65)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

For further details, kindly refer “*Restated Consolidated Financial Information*” beginning on page 331 of the Draft Red Herring Prospectus.

7. *Our operations are working capital intensive, and any shortfall or delay in availability of funds may adversely affect our project execution and financial performance.*

Our operations across infrastructure segments, including water and wastewater projects, roads, electrical networks, and civil construction—are inherently working capital intensive due to significant upfront expenses in procurement, mobilization, and project execution. As per our restated consolidated financial Information, our working capital requirements for the Financial Year 2025, 2024 and 2023 amounted to ₹ 1,400.09 million, ₹ 1,280.66 million and ₹ 650.58 million, respectively.

Further, our working capital requirements for Financial Year 2026 & 2027 are estimated at ₹ 1,769.78 million and ₹ 2,468.54 million out of which an amount of ₹ 900.00 million and ₹ 480.00 million will be funded out of the Net Proceeds from issue of fresh equity shares in respective financial years, whereas the balance, if any, would be arranged from our internal accruals and/or borrowings. For details of our working capital requirements and estimation, kindly refer “*Objects of the Offer*” beginning on page 121 of the Draft Red Herring Prospectus.

Our projects typically follow milestone-based billing structures with clients—primarily government authorities releasing payments subject to certification protocols. These procedures, often coupled with administrative delays, result in extended receivable cycles and cash flow mismatches. We are also required to furnish performance guarantees backed by cash margins, and a portion of our contract value is retained as security until defect liability periods are over, further tightening available liquidity. Delays in client-side invoice certification, slower-than-expected release of payments, or a build-up in trade receivables can compel us to rely on short-term borrowings to meet operational needs. Any such dependency may expose us to increased interest costs and strain our liquidity position.

Our ability to secure financing on favourable terms is subject to prevailing credit norms and our relationship with lenders. Changes in bank policies, interest-rate hikes, or the imposition of restrictive loan covenants may impair our access to funding. While our Company has not faced any working-capital shortfall, funding delay, or

disruption in project execution due to liquidity constraints as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not arise in the future. Any inefficiency in managing our working-capital cycle could lead to execution delays, cost overruns, or project disruptions, thereby adversely impacting our financial performance and operational continuity.

For further details, kindly refer “Restated Consolidated Financial Information” and “Objects of the Offer” beginning on pages 331 and 121, respectively of the Draft Red Herring Prospectus.

8. *Our growth is significantly dependent on leveraging government initiatives in the water and wastewater infrastructure sector and our inability to capitalize on these opportunities could adversely affect our business prospects.*

A substantial portion of our business is driven by public infrastructure projects funded under various Central and State Government programs. These include sector-specific schemes such as AMRUT, JJM, NMCG, as well as broader infrastructure initiatives like the PMGSY, the Rajiv Gandhi Grameen Vidyutikaran Yojana (“**RGGVY**”) and Restructured Accelerated Power Development and Reforms Programme (“**RAPDRP**”) and electrification schemes by utility agencies such as Paschimanchal Vidyut Vitaran Nigam Limited (“**PVVNL**”) and Dakshinanchal Vidyut Vitaran Nigam Limited (“**DVVNL**”). These schemes have collectively contributed to a significant portion of our order book across sectors such as wastewater treatment, water supply, sewerage, roads, and power distribution. For further details of our ongoing projects, kindly refer “*Our Business – Our Order Book*” on page 232 of the Draft Red Herring Prospectus.

As of June 30, 2025, we are executing 04 projects under AMRUT. Our continued participation in such government-led initiatives is crucial to maintaining project flow and sustaining our growth.

However, the ability to secure contracts under these schemes depends on various factors, including adherence to evolving eligibility norms, timely availability of internal and external resources, and responsiveness to tendering requirements. Any failure to qualify, delays in bidding processes, or inability to execute awarded projects in line with prescribed benchmarks may curtail our ability to grow in these sectors. We intend to continue participating in tenders issued under these and similar schemes. However, our ability to secure and successfully execute such projects depends on various factors including availability of financial and technical resources, management bandwidth, and responsiveness to tender conditions. Any inability or delay in capitalizing on these schemes, or failure to meet qualification or execution standards, could restrict our growth trajectory. Moreover, the scope and funding of these schemes are contingent upon government budgetary allocations and policy priorities. A reduction in outlay, reallocation of funds, delays in disbursement, or a shift in implementation strategy—such as moving from EPC to Public-Private Partnership (PPP) or Hybrid Annuity Model (HAM) models—could reduce the availability of new projects or alter risk-sharing frameworks unfavourably. Any such development may materially affect our future business pipeline and financial performance.

While our Company has not experienced any instance of vendor default, material supply disruption, or project delay attributable to supplier non-performance as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not arise in the future, which could adversely affect our operations and financial results. The table below sets forth our revenue from Government and Government authorities and from Private clients for the financial years indicated:

(₹ in million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from Government	2,274.52	1,741.50	1,784.75
% of Revenue from Operations	81.36	77.02	99.88
Revenue from Private Sector	521.12	519.52	2.16
% of Revenue from Operations	18.64	22.98	0.12
Total	2,795.64	2,261.02	1,786.91

9. *Our business is subject to seasonal fluctuations that could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment's.*

Our business operations may be affected by seasonal factors which may restrict our ability to carry on activities related to our construction projects, laying of water pipes and fully utilize our resources.

The following factors may restrict our ability:

- Heavy or sustained rainfalls
- Flood
- Cyclones or
- Other extreme weather conditions

The above could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment's.

In particular, the monsoon season may restrict our ability to carry on activities related to our projects and fully utilize our resources and may slow our activities on construction projects, which shifts our revenue and accordingly profit recognition to subsequent quarters. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in damage to construction sites or delays in the delivery of materials. Such fluctuations may adversely affect our revenues, cash flows, results of operations and financial conditions. We have not experienced any delay of projects or any disruptions to our operations during the critical periods of our projects and cause severe damages to our construction Projects. Further, no assurance can be given that we will not experience such incidents in future.

10. *Our business is largely concentrated in two states ("States") and is affected by various factors associated with these states.*

Our project portfolio has historically been concentrated in projects in Uttar Pradesh and Rajasthan. Though we have undertaken projects in other parts of India, including Uttarakhand and Delhi. This concentration of our business in Uttar Pradesh & Rajasthan subjects us to various risks, including but not limited to:

- regional slowdown in construction activities or reduction of infrastructure projects in states;
- vulnerability to change of policies, laws and regulations or the political and economic environment of States;
- constraint on our ability to diversify across states;
- perception by our potential clients that we are a regional construction company, which hampers us from competing for large and complex projects at the national level; and
- Limitation on our ability to cluster projects in the states where we intend to conduct business.

While we strive to diversify across states and reduce our concentration risk, there is no guarantee that the above factors associated with the states will not continue to have a significant impact on our business. If we are not able to mitigate this concentration risk, we may not be able to develop our business as we planned and our business, financial condition and results of operations could be materially and adversely affected.

As on the date of the Draft Red Herring Prospectus, Company has executed 13 projects out of which 12 projects were executed in Uttar Pradesh & currently the Company is executing 19 projects out of which 06 projects & 04 O & M projects executing in Uttar Pradesh. While our Company has not faced any instance of disqualification, cancellation, or blacklisting of any project in these states as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not arise in the future, which could adversely affect our business, financial condition, and results of operations.

For further information, kindly refer "Our Business-Our Order Book and Order Book for Completed Projects" on page 243 of the Draft Red Herring Prospectus.

Following are the state wise bifurcation of revenue for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023:

(₹ in million)

Sr. No.	Name of the States	For the Financial Year ended March 31,					
		2025		2024		2023	
		Revenue from Operations	% of Revenue from Operations	Revenue from Operations	% of Revenue from Operations	Revenue from Operations	% of Revenue from Operations
1.	Uttar Pradesh	756.39	27.05	1,382.72	61.15	1,717.57	96.12
2.	Rajasthan	1,665.42	59.58	730.64	32.31	69.34	3.88
3.	Delhi	163.53	5.85	147.66	6.54	-	-
4.	Uttarakhand	210.30	7.52	-	-	-	-
Total		2,795.64	100.00	2,261.02	100.00	1,786.91	100.00

11. *We rely on our in-house engineering and construction teams and on the continued services of our Key Managerial Personnel (KMP) and Senior Management Personnel (SMP); loss of key talent, inability to recruit/retain skilled manpower, or elevated attrition may adversely affect our operations and growth.*

Our ability to execute infrastructure projects (including wastewater treatment, water supply, roads, electrical networks and micro-tunnelling) is critically dependent on our in-house teams of engineers, designers and site supervisors and on the leadership and experience of our KMPs and SMPs. As of June 30, 2025, we employed 170 full-time personnel, including **67 engineers** across civil, mechanical and electrical disciplines. This internal capacity enables us to manage the EPC lifecycle (design, procurement, construction, commissioning and quality assurance). For further details, kindly refer “**Our Business – Human Resources**” on page 276 and “**Our Management**” beginning on page 303 of the Draft Red Herring Prospectus.

We face risks of attrition (particularly at project sites where relocations are required), competition for technical talent, and timely onboarding of replacements. Any inability to retain KMPs/SMPs or attract qualified engineers, site supervisors and project managers could delay bids and execution, raise costs, impair quality, or result in loss of institutional know-how. As our project portfolio expands, we may need to offer enhanced compensation or long-term incentives to attract/retain talent, which could impact margins. Delays or lapses in workforce planning or statutory HR compliance could also affect operations.

Attrition Rate	As at June 30, 2025	For the Financial Year/Period		
		Financial Year 2025	Financial Year 2024	Financial Year 2023
Employees at the beginning of the Fiscal/Period	173	125	74	47
Employees at the end of the Fiscal/Period	170	173	125	74
Average number of employees	171.50	149	99.50	60.50
Net change in number of employees	(3)	48	51	27
Change rate (in %)	(1.73)	38.40	68.92	57.45

We set out below instances of delays in payments made by our Company towards the Provident Fund and Employee State Insurance for the full-time employees of our Company for the financial year ended 2025, 2024 and 2023:

(₹ in million)

Statutory Dues	For the Financial Year ended March 31,		
	2025	2024	2023
Employee's Provident Fund Contribution	0.05	-	0.18
Employee's State Insurance Contribution	0.00	0.03	0.02

As certified by Rishi Kapoor & Company, Chartered Accountants pursuant to their certificate dated August 04, 2025, vide UDIN 25455362BMGIL3986.

While we have not experienced material attrition at the KMP/SMP level in the past, there can be no assurance that such stability will continue. Any significant loss of leadership, or failure to maintain a robust talent pipeline, could adversely affect our business continuity, financial condition and growth prospects.

Further, we also employ contract labour for civil construction work. The number of contract labourers employed by us fluctuates depending on the scope and scale of the projects we undertake. Our dependence on such contract labour introduces certain risks to our operations, particularly regarding the availability and skillset of these labourers, as well as potential disruptions during peak periods in labour-intensive sectors like ours. There is no guarantee that we will always have access to skilled labour at competitive rates or in the locations where we carry out our projects. Consequently, we may need to incur additional expenses to ensure the timely completion of our projects.

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

As part of our business and as is customary, we are required to provide financial and performance bank guarantees in favour of our project clients under the respective contracts for our projects. For our projects, we typically issue bank guarantees to the relevant authority with whom the contractual arrangement has been entered into, amounting to approximately 10% of the contract value.

We may not be able to continue obtaining new financial and performance bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees or letters of credit, our ability to enter into new contracts or obtain adequate supplies could be limited and could have a material adverse effect on our business, results of operations and financial condition.

Further, the process of obtaining contracts, financial and performance bank guarantees, tends to increase our working capital requirements. As of March 31, 2025, March 31, 2024, and March 31, 2023, we had issued bank guarantees amounting to ₹1,113.16 million, ₹792.27 million and ₹595.55 million, respectively, towards securing our financial / performance obligations under our ongoing projects. We may be unable to fulfil any or all of our obligations under the contracts entered into by us in relation to our ongoing projects due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us.

If any or all the bank guarantees are invoked, it may result in a material adverse effect on our business, financial condition and results of operations.

13. *Failure to meet performance standards or retain skilled staff in our Operations and Maintenance (O&M) segment may adversely impact our long-term contracts and client relationships.*

We undertake long-term Operations and Maintenance (“O&M”) assignments following commissioning of public infrastructure assets such as STPs, sewerage networks, and water supply systems. These contracts, often spanning 5–10 years, require deployment of dedicated teams for round-the-clock site management, preventive maintenance, and compliance with service benchmarks.

O&M work is resource-intensive and spread across geographically dispersed locations. High attrition—especially among locally recruited site-level technicians—can disrupt continuity and affect performance-linked payments.

Failure to meet contractually agreed operational standards may result in imposition of penalties, reputational damage, or termination of ongoing contracts.

As of June 30, 2025, we are executing 5 O&M contracts with a total value of ₹ 201.60 million. For further details, kindly refer “*Our Business – Our Order Book for O&M*” on page 241 of the Draft Red Herring Prospectus.

While our Company has not faced any instance of penalty, termination, or adverse client action in relation to non-performance due to manpower attrition or any other non-compliance due to skilled manpower under any O&M contract as on date of the Draft Red Herring Prospectus, there can be no assurance that such instances will not occur in the future. Any failure to meet prescribed performance standards or retain skilled technical personnel could adversely affect our revenue continuity, reputation, and ability to secure future O&M mandates.

14. *Our reliance on contract labour introduced through sub-contractors may create operational uncertainties and impact project timelines and cost efficiency.*

We execute works using third-party sub-contractors who deploy contract labour for civil construction, electrical works and site operations depending on project scale and location. The availability, skill level and cost of such sub-contractors’ deployed workmen vary across geographies and may be influenced by seasonal factors or competing infrastructure demands.

There is no assurance that we or our sub-contractors will always have access to an adequate pool of skilled workmen at competitive rates. Labour shortages or disruptions during peak construction phases may delay execution, inflate costs or compromise workmanship. Additionally, variations in local labour regulations, unionisation risks and site-specific conditions could further affect deployment.

Our contract labour deployment is via sub-contractors on a project-specific basis and fluctuates with execution timelines and local requirements. While we include contractual obligations on our sub-contractors to comply with applicable labour and safety laws and to ensure timely wage payments and social security contributions (as applicable), any failure on their part may still disrupt our operations and expose us to contractual or statutory risks (including, where applicable, responsibilities that may be attributed to a principal employer under law).

We have not experienced any instance of labour unrest, non-compliance, or disruption in project execution attributable to our sub-contractors or their deployed workmen as on date of the Draft Red Herring Prospectus; however, there can be no assurance that such incidents will not occur in the future. Any such event may adversely affect our project timelines, cost efficiency, and overall operations.

For further details on our manpower model, kindly refer to “*Our Business – Human Resources*” on beginning page 276 of the Draft Red Herring Prospectus and for applicable labour/safety laws, kindly refer “*Key Industry Regulations and Policies*” beginning on page 287 of the Draft Red Herring Prospectus.

15. *We have entered into, and will continue to enter into, related-party transactions with our Group Company, VVIP Infratech Limited. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations, financial condition, or cash flows, or that they may potentially involve conflicts of interest.*

We have entered into certain transactions with related parties of our Company and may continue to do so in the future. For example, we entered into related party transactions in the nature of, inter-alia, purchase & job work, loans from related parties, directors’ remuneration, KMP remuneration, purchase of fixed assets, interest, trade payables and other payables. In particular, our Company executes projects allotted under the letters of allotment issued by government bodies for carrying out sewerage works, water supply works, road works, electrical works, and operations & maintenance works, as appearing in Our Order Book, in collaboration with our Group Company, VVIP Infratech Limited (formerly known as Vibhor Vaibhav Infra Private Limited), amongst others. (for example, in relation. These related party transactions have been carried out on an arm’s length basis, in compliance with the relevant provisions of the Companies Act and other applicable laws. For details on our related-party transactions, see “Restated Consolidated Financial Information – Annexure 44 – Related Party

Transaction” and “Our Business – Our Order Book” on pages 395 and 232, respectively of the Draft Red Herring Prospectus.

The following table sets forth the breakdown of our related party transactions for the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023:

(₹ in million)

Sr. No.	Particulars	For the Financial Year ended		
		31-Mar-25	31-Mar-24	31-Mar-23
A.	Transactions during the year			
(i)	Purchase & Job Work			
	Sanjay Tyagi HUF	-	-	1.59
	VVIP Infratech Limited (Formerly Known as Vibhor Vaibhav Infra Private Limited)	657.43	606.03	621.81
(ii)	Revenue from operations			
	TESPL LRS TCPL -JV	163.53	147.66	-
	VVIP Infratech Limited (Formerly Known as Vibhor Vaibhav Infra Private Limited)	507.85	431.48	2.16
(iii)	Profit/(Loss) from Associates			
	Profit on TESPL-LRS-TCPL (JV)	5.19	2.82	(0.02)
	Profit on Krishna TCPL (JV)	0.00	0.00	0.00
(iv)	Loan Taken			
	Mr. Sanjay Tyagi	33.40	75.05	37.40
	Ms. Rekha Tyagi	9.45	17.40	14.40
	Mr. Kartikey Tyagi	8.20	6.16	3.80
	Sanjay Tyagi HUF	9.50	11.20	9.58
	Ms. Vartika Tyagi	4.00	-	3.85
(v)	Repayment of Loan & TDS			
	Mr. Sanjay Tyagi	39.85	16.41	59.70
	Ms. Rekha Tyagi	2.51	1.83	68.13
	Mr. Kartikey Tyagi	5.63	4.24	3.01
	Sanjay Tyagi HUF	6.97	10.59	7.14
	Ms. Vartika Tyagi	0.72	0.47	0.42
(vi)	Salary paid			
	Key Managerial Personnel & Directors			
	Mr. Kartikey Tyagi	6.00	2.40	-
	Ms. Rekha Tyagi	3.00	2.40	1.50
	Mr. Sanjay Tyagi	12.00	9.00	6.60
	Relative of Key Managerial Personnel & Directors			
	Ms. Vartika Tyagi	3.00	-	1.80
	Mr. Kartikey Tyagi	-	-	1.80

(vii)	Interest paid			
	Mr. Kartikey Tyagi	0.66	0.36	0.18
	Ms. Rekha Tyagi	6.50	4.80	6.35
	Mr. Sanjay Tyagi	11.14	6.27	4.06
	Sanjay Tyagi HUF	1.21	1.12	0.37
	Ms. Vartika Tyagi	0.67	0.49	0.22
(viii)	Other Expenses			
	Ms. Vartika Tyagi	-	1.95	-
(ix)	Purchase of Fixed Assets			
	VVIP Infratech Limited (Formerly Known as Vibhor Vaibhav Infra Private Limited)	-	0.85	-
Sr. No.	Particulars	For the Financial Year ended		
		31-Mar-25	31-Mar-24	31-Mar-23
(x)	Lease Rentals Paid			
	Ms. Rekha Tyagi	1.40	1.45	1.32
	Mr. Sanjay Tyagi	0.61	0.66	0.60
Sr. No.	Particulars	As at		
		31-Mar-25	31-Mar-24	31-Mar-23
B.	Outstanding Payables			
(i)	Loan from Related parties			
	Mr. Sanjay Tyagi	86.23	81.53	16.63
	Ms. Rekha Tyagi	61.92	48.47	28.10
	Mr. Kartikey Tyagi	7.17	3.94	1.66
	Sanjay Tyagi HUF	11.28	7.54	5.81
	Ms. Vartika Tyagi	8.11	4.17	4.16
	Mr. Neeraj Tyagi	5.06	5.06	5.06
	Ms. Ritu Tyagi	2.22	2.22	2.22
	Neeraj Tyagi HUF	6.89	6.89	6.89
(ii)	Salary payable			
	Key Managerial Personnel & Directors			
	Mr. Kartikey Tyagi	0.15	0.02	-
	Ms. Rekha Tyagi	0.15	-	0.03
	Mr. Sanjay Tyagi	0.49	0.52	0.08
	Relative of Key Managerial Personnel & Directors			
	Ms. Vartika Tyagi	0.17	-	0.12
	Mr. Kartikey Tyagi	-	-	0.12
(iii)	Trade Payables			
	Sanjay Tyagi HUF	-	-	0.09
	VVIP Infratech Limited (Formerly Known as Vibhor Vaibhav Infra Private Limited)	87.88	85.99	165.01
	Ms. Vartika Tyagi	-	1.76	-

(iv)	Other Payables			
	Ms. Rekha Tyagi	0.05	-	-
	Mr. Sanjay Tyagi	-	-	-
	VVIP Infratech Limited (Formerly Known as Vibhor Vaibhav Infra Private Limited) (Security, Retention, Testing & Commissioning Withheld)	123.29	109.93	94.58
C.	Outstanding Receivables			
(i)	Trade Receivables			
	TESPL LRS TCPL -JV	69.51	47.00	-
(ii)	Other Receivables			
	TESPL LRS TCPL -JV (Security, Retention, Testing & Commissioning Withheld)	50.76	26.28	-
(iii)	Investments			
	TESPL LRS TCPL -JV	52.24	1.86	0.03
	Krishna TCPL JV	-	0.00	1.01

Although all related-party transactions that we may enter into post-listing of our Equity Shares will be subject to approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act, 2013 and the Listing Regulations, and in compliance with applicable law, we cannot assure you that such transactions, individually or in aggregate, will not be detrimental to the interest of our Company, have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties.

We confirm that all existing related-party transactions of the Company, as disclosed in the Draft Red Herring Prospectus, have been reviewed and approved by the Audit Committee of the Company at its meeting held on March 13, 2025, in accordance with the provisions of Section 177 of the Companies Act, 2013, as amended.

The related party transactions that we enter into may have vested interests which are in conflict with the interests of our Company. Such related-party transactions and any future related-party transactions may also not always be in the best interests of our minority shareholders. There can be no assurance that we will be able to address such conflicts of interests in the future, which may have an adverse effect on our business, results of operations, financial condition and cash flows.”

16. *Our Order Book may not be a reliable indicator of our future revenue or profitability, and any delay, modification, or cancellation of projects may materially affect our financial performance, liquidity, and cash flows.*

As on June 30, 2025, our Order Book includes 14 EPC projects across wastewater treatment, water supply, roads, and electrical infrastructure segments, with an aggregate contract value of ₹ 6,656.74 million and 5 Operations and Maintenance (O&M) projects aggregating ₹ 201.60 million. For further details, kindly refer “*Our Business – Our Order Book*” on page 232 of the Draft Red Herring Prospectus.

Our Order Book represents the unexecuted value of ongoing and newly awarded contracts, net of the work completed as on the relevant date. It is compiled based on internal estimates and is unaudited. The methodology used may differ from industry practices and should not be construed as a guaranteed measure of future revenue or profitability. The realization of income from our Order Book is subject to various factors including but not limited to project approvals, site conditions, contractual timelines, and changes in project scope or specifications by the client.

Delays in obtaining statutory approvals or right-of-way, client-side indecision, adverse site conditions, or contractual disputes may lead to postponement, modification, or even cancellation of projects. In some cases, project activities may be initiated before receiving formal work orders or completion certificates, which may delay revenue recognition or lead to payment disputes.

Additionally, in projects involving government or public sector undertakings, even timely execution may not ensure prompt payments. Such delays can impact our billing cycle, working capital requirements, and liquidity. Consequently, our revenue and profitability may vary significantly across reporting periods and could be adversely affected if projects are stalled, altered, or not completed as expected.

While our Company has not experienced any project cancellation, project scope reduction, or loss of revenue on account of Order Book changes as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not arise in the future. Any delay, variation, or termination in key projects may materially affect our financial performance, liquidity, and cash flows.

17. *We cannot assure you that the Objects of the Offer will be achieved within the expected time frame, any variation in the utilisation of the Net Proceeds of the Fresh Issue as disclosed in the Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.*

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

(₹ in million)

Particulars	Amount
Working Capital Requirements	1,380.00
General Corporate Purpose ⁽²⁾	[●]
Net Proceeds ⁽¹⁾⁽²⁾	[●]

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

⁽²⁾ The amount proposed to be utilised for general corporate purpose shall not exceed 25% of the gross proceed from Fresh Issue.

The Objects of the Offer have not been appraised by any bank or financial institution. While a monitoring agency will be appointed to monitor the utilisation of the Net Proceeds from issue of fresh equity shares, the proposed utilisation of the Net Proceeds is based on current business plan, current conditions and other commercial and technical factors including interest rates and other charges, the financing and other agreements entered into by our Company, which is subject to change in light of changes in external circumstances and other factors beyond our control such as general economic conditions, inflation, technological changes, changing customer preferences and competitive landscape, credit availability and interest rate levels. Our management will have broad discretion to revise our business plans, estimates and budgets from time to time. Consequently, our funding requirements and deployment of funds may change, which may result in rescheduling of the proposed utilisation of the Net Proceeds, subject to compliance with applicable law. A portion of the use of the Net Proceeds involving deployment towards general corporate purposes is at the discretion of the management of our Company. For further information kindly refer “Objects of the Offer” beginning on page 121 of the Draft Red Herring Prospectus.

In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements. If actual utilisation towards the Objects of the Offer is lower than the proposed deployment, such balance will be used for future growth opportunities, including funding other existing objects, if required. If estimated utilisation of the Net Proceeds from issue of fresh equity shares is not completely met in a fiscal year, it shall be carried forward. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds from the Fresh Issue as disclosed in the Draft Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that requires 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. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify

the objects of the Offer as prescribed in the SEBI (ICDR) Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Fresh Issue, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations. Further, we cannot assure you that the Promoters or the controlling shareholders 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.

18. *We rely on joint venture partners for selective project bids and the execution of certain awarded projects. Failure by such partners to perform their obligations could adversely impact our operations, increase our financial and performance-related responsibilities, and reduce our profitability.*

Our Company selectively forms joint ventures to bid on and execute projects where technical or financial qualification criteria require such arrangements. As of June 30, 2025, Company is executing 4 projects under the joint ventures with the value of ₹ 3,838.64 million, out of our total Order Book of ₹ 6,656.74 million. For further details, kindly refer “Our Business – Our Order Book” on page 232 of the Draft Red Herring Prospectus.

For further details on our Projects of our Company with Joint Ventures, kindly refer “Our Business – Our Order Book” on page 232 of the Draft Red Herring Prospectus.

The success of projects undertaken through joint ventures is dependent on the continued performance of our joint venture partners. We and our joint venture partners are typically jointly and severally liable under the terms of the contract. If a joint venture partner fails to perform its obligations due to operational inefficiencies, financial constraints, or other reasons, we may be required to step in to perform the defaulting partner’s obligations or assume full responsibility for the project, which could lead to delays, cost overruns, or potential losses. Additionally, disputes or misalignment with our joint venture partners may delay project execution or cause reputational harm.

Moreover, our joint ventures are not wholly controlled and managed by us. There are specific risks associated with the inability to control the activities of joint venture partners, which may, in turn, pose additional risks to us. These risks include the potential failure of joint venture partners to meet their obligations under joint venture agreements, conflicts with partners, the risk of a partner misappropriating valuable knowledge, and the possibility that a joint venture entity may not have access to necessary funds. While we have not experienced any adverse impact on account of our joint ventures to date, we cannot assure that such situations will not arise in the future. Inability to secure capable joint venture partners in the future may also restrict our ability to bid for projects that require consortium participation, thereby limiting our business development opportunities.

19. *We depend on external vendors and suppliers for critical inputs, and any shortfall in their performance could adversely affect our project delivery timelines and quality.*

While the core design, engineering, and construction activities across our infrastructure segments including WWTPs, WSSPs, roads, and electrical works are predominantly executed by our in-house teams, we rely on vendors and suppliers for the timely provision of key inputs such as raw materials, plant and machinery, and specialized equipment. Any delay or deficiency in the delivery of such inputs whether due to material shortages, logistical disruptions, supply chain constraints, or quality issues may adversely impact our execution timelines, escalate project costs, or affect the quality of deliverables.

Such disruptions can impair our operational efficiency, hinder compliance with project schedules, and negatively affect client relationships and profitability. Given the scale and technical complexity of certain projects, the continued reliability and coordination with our vendor base is essential to maintain construction momentum and adhere to contractual milestones.

20. We have certain contingent liabilities, which, if materialized, may affect our financial condition and results of operations.

The details of our contingent liabilities (as per Ind AS 37), derived from the Restated Consolidated Financial Information are as set out below as on March 31, 2025, March 31, 2024 and March 31, 2023:

(₹ in million)

Particulars	Financial Year ended March 31,		
	2025	2024	2023
A) Disputed claims/levies in respect of Income tax against which Rectification application is filed except for the Assessment year 2024-25 before jurisdictional Assessing Officer and demand will be deleted as told by the Management of the Company.			
For the Assessment year 2024-25, the rectification application is yet to be filed as the TDS from the principal is not reflected in the 26AS of the Company, as told by the management of the company, they are pursuing with the principal to show the TDS in the 26AS, after reflection in 26AS, the company will file the rectification application with the Income Tax Department.			
A.Y 2024-25	7.34	-	-
A.Y 2018-19	0.13	0.13	0.13
A.Y 2023-24	1.16	1.16	-
B) Disputed claims/levies in respect of Goods and Services Tax)			
Appeals filed of GST (Rajasthan) Tax Assessment of FY 2018-2019	0.97	-	-
Appeal filed of GST (Rajasthan) Interest Liability of FY 2023-2024	21.74	-	-
GST Liability (U.P) on account of differential amount of GST @ 6% and 18% on the supply/Services made to the department (UP Jal Nigam) in compliance to DGGI Meerut Proceedings, against which writ petition is yet to be filed before the High Court for the period Jan 2022 to July 2022.	Amount not quantifiable	-	-
Total	31.34	1.29	0.13

As certified by Rishi Kapoor & Company, Chartered Accountants pursuant to their certificate dated August 04, 2025 vide UDIN 25455362BMGILN1743.

(₹ in million)

GUARANTEES			
Particulars	For the Financial Year ended March 31		
	2025	2024	2023
A) Bank Guarantees	1,113.16	792.27	595.55
Total	1,113.16	792.27	595.55

As certified by Rishi Kapoor & Company, Chartered Accountants pursuant to their certificate dated August 04, 2025 vide UDIN 25455362BMGILN1743.

For further details, kindly refer “Restated Consolidated Financial Information – Annexure 46 – Contingent Liabilities” beginning on page 398 of the Draft Red Herring Prospectus.

If a significant portion of these liabilities materialize, it could have an effect on our results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

21. Trade Receivables and Inventories form a substantial part of our current assets and net worth. Failure to accurately forecast and manage inventory could result in an unexpected shortfall and/ or surplus of raw materials, equipment and manpower, which could affect our business and financial condition.

Our business requires significant working capital investment, and trade receivables and inventories together form a substantial part of our non-cash current assets, constituting 72.93%, 74.59% and 78.76% of total non-cash current assets as of March 31, 2025, March 31, 2024 and March 31, 2023, respectively. As of the said dates, our

total trade receivables and inventories stood at ₹ 1,471.17 million, ₹ 1,559.28 million and ₹ 981.59 million.

We procure materials and plan manpower deployment based on management estimates of project timelines, customer demand, and past trends. Any underestimation may result in shortages of raw materials, equipment, or labour, affecting project execution and increasing costs. Conversely, overestimation may lead to excess inventory, additional storage cost, reduced inventory quality, and potential write-offs, all of which can impact our margins and liquidity.

Moreover, our ability to effectively manage trade receivables is critical to our cash flows. If we fail to evaluate the creditworthiness of customers or secure appropriate payment terms, it may result in bad debts, delayed recoveries, or write-offs, leading to liquidity crunches. This may, in turn, require increased working capital borrowings, escalating finance costs and adversely impacting our profitability. Any inability to manage our inventory or receivables effectively may result in operational disruptions, tighter vendor financing requirements, and adverse effects on our business, financial condition, and results of operations.

While our Company has not encountered any instance of inventory obsolescence, write-offs, or bad debt leading to a material adverse impact on our financial condition as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not occur in the future, which could adversely affect our business, results of operations, and financial condition.

22. *Our Company has availed ₹ 273.16 million as unsecured loan which are repayable on demand. Any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.*

As per the Restated Consolidated Financial Information as on March 31, 2025, our Company has availed a sum of ₹ 273.16 million as unsecured loans which are repayable on demand. Sudden recall may disrupt our operations and also may force us to opt for funding at higher interest rates, resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus resulting in shortage of working capital fund. For further details, please refer to the section “*Financial Indebtedness*” beginning on page 428 of the Draft Red Herring Prospectus. Any demand for the repayment of such unsecured loans, may adversely affect our cash flow and financial condition.

While our Company has not received any demand or recall from any of the lenders of such unsecured loans as on date of the Draft Red Herring Prospectus, there can be no assurance that such demand will not arise in the future, which could adversely affect our cash flow, working capital availability, and financial condition.

23. *Increases in the cost of raw materials, labour, and contract execution charges may impact our profitability and cash flows.*

Our operations across infrastructure segments including wastewater treatment, water supply schemes, roads, housing, electrical works, and microtunneling require significant consumption of raw materials, construction equipment, and skilled and unskilled labour. Inputs such as steel, cement, pipes, electrical components, and fuel are critical to our project execution. The cost and availability of these materials are influenced by multiple external factors including domestic and international supply-demand dynamics, local sourcing constraints, transportation costs, and geopolitical developments.

For the financial year ended 2025, 2024 and 2023, our cost of revenue of operations adjusted to change in inventories amounted to ₹ 2,170.50 million, ₹ 1,839.95 million and ₹ 1,513.28 million, respectively, representing 77.64%, 81.38% and 84.69% of our revenue from operations. For further details, kindly refer “Restated Consolidated Financial Information” beginning on page 331 of the Draft Red Herring Prospectus.

Our contracts are typically awarded through competitive bidding and are structured as fixed-price or item-rate contracts, many of which include limited price escalation clauses. These arrangements expose us to the risk of absorbing increased costs in the event of material or labour price inflation. While some contracts include price variation mechanisms, we cannot assure that such clauses will be adequate to fully offset cost escalations or that they will be contractually enforceable in every circumstance.

Moreover, our execution costs may increase due to factors such as changes in applicable tax rates, unanticipated site conditions, labour unavailability, delays in client handovers, or exigencies arising during implementation. Any such increase in project input costs could adversely affect our margins, cash flows, and overall financial performance.

While our Company has not experienced any instance of project loss or cost overrun solely attributable to unexpected increases in input or labour costs materially affecting the financial performance of our Company as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not occur in the future, which could adversely impact our margins, cash flows, and overall financial performance.

24. *Variations in project execution costs from bid-stage assumptions may result in reduced profitability or losses.*

We undertake the construction and execution of infrastructure projects—including WWTPs, WSSPs, roads, electrical systems, and urban utilities—primarily through fixed-price EPC contracts awarded by government authorities and public bodies through competitive bidding. At the bid stage, we estimate input costs based on available technical data, preliminary site assessments, and projected quantities of materials, labour, equipment, and subcontracted services.

However, actual execution costs may deviate materially from bid-stage assumptions due to a variety of factors, including unforeseen geotechnical or site-specific conditions, changes in project scope or design after award, delays in land possession or statutory approvals, labour shortages, or weather-related disruptions. Volatility in the prices of key construction inputs such as cement, steel, pipes, and fuel can further widen the gap between projected and actual costs.

Although certain contracts contain escalation clauses or permit variations in quantities, there is no assurance that such provisions will be sufficient or enforceable to fully compensate for unanticipated increases in cost. Additionally, projects undertaken through joint ventures may expose us to shared risks and liabilities, including cost overruns or delays caused by the actions or defaults of our partners. Any material cost deviations that cannot be recovered through contract variation or claims mechanisms may lead to margin erosion or project-level losses, adversely impacting our financial performance and cash flows.

While our Company has not experienced any instance of project loss or cost overrun arising out of inaccurate bid-stage assumptions as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not occur in the future, which could adversely affect our profitability, cash flows, and financial performance.

25. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licences in timely manner or comply with such rules and regulations or at all may adversely affect our operations.*

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or revoke the cancellation or suspension of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.

Currently no approvals/licenses are pending which we have applied. For further details, kindly refer “Key Industry Regulations and Policies” and “Government and Other Statutory Approvals” beginning on pages 287 and 486

respectively of the Draft Red Herring Prospectus.

26. *Our reliance on advanced and rapidly evolving technologies for the design, construction and operation of wastewater treatment plants (“WWTPs”) and water supply scheme projects (“WSSPs”) exposes us to the risk of disqualification from tenders, loss of competitiveness and adverse impacts from shifts in customer preferences or market demand.*

Our business model requires us to provide customised, design-build solutions for WWTPs and WSSPs, integrating civil, electrical, mechanical and instrumentation works with modern water treatment and distribution technologies. As disclosed under “*Our Business – Segments of our Business Operations*” on page 249 of the Draft Red Herring Prospectus, we deploy technologies such as Sequential Batch Reactor (SBR) and Upflow Anaerobic Sludge Blanket (UASB) to meet regulatory and client-specific standards. Government authorities and project owners periodically update their technical norms in line with evolving environmental and sustainability regulations, including those under AMRUT 2.0, Jal Jeevan Mission and Namami Gange. Our continued eligibility to participate in such projects depends on our ability to adapt to these evolving requirements.

Failure to adopt new or mandated technologies, delays in upgrading our engineering and operational capacities, or inability to demonstrate compliance with updated project specifications may result in our disqualification at the pre-qualification or bidding stage, reduced competitiveness in tender processes, or the loss of opportunities to secure contracts. Even where projects are awarded, deficiencies in technical adoption may lead to cost overruns, penalties, or reduced client confidence in our capabilities.

In parallel, water treatment and reuse technologies are evolving rapidly, with new processes and equipment being introduced by original equipment manufacturers (“OEMs”) and international technology providers. Market demand may shift in favour of advanced or specialised technologies not currently in our portfolio. If our clients increasingly favour such technologies, or if we are unable to offer them at competitive costs, we may lose market share or be unable to participate in certain projects. Conversely, shifts in customer preference away from technologies we already deploy could result in discontinued or abandoned projects, adversely impacting our revenue pipeline and client relationships.

While we have in the past introduced upgraded water treatment solutions and have sought to form partnerships with technology providers, there can be no assurance that our efforts will be timely, sufficient or cost-effective. If we fail to invest adequately, or fail to secure access to the latest technologies through in-house R&D or third-party collaborations, we may miss market opportunities or be unable to meet project requirements.

Given the centrality of technology in our WWTP and WSSP projects, any inability to adapt to evolving technical norms, respond to market demand shifts, or secure access to new technologies may materially and adversely affect our business, financial condition, results of operations and competitive positioning.

For further details of our project portfolio, kindly refer “*Our Business – Our Order Book*” on page 232 of the Draft Red Herring Prospectus and “*Our Business – Segments of our Business Operations*” on page 249 of the Draft Red Herring Prospectus.

27. *We enter into various contract agreements with our customers for our construction projects. Such agreements contain conditions and requirements, the non-fulfilment of which could result in delays or inability to implement and complete our projects as contemplated.*

Our mostly projects are as a direct contractor from private players and government authorities. The agreement confers the rights on us to construct and develop the said project either for a fixed fee. Such project involves following the drawing plans, architecture designs, timelines, material quality, end finishing of the structure, etc. to be followed strictly as provided by our customer. Though we are generally empowered to make practical operating decisions for development of the project, we may be required to make certain decisions in consultation with the government agencies involved and / or regulatory authorities. These arrangements may limit our flexibility to make certain decisions in relation to the projects. In the event of any delay in the completion of the project within the envisaged time frame, we may be required to indemnify and compensate the employers or

contractors with whom we have entered into an agreement with. Any disputes that may arise between us and the parties involved in the agreement may cause delay in completion, suspension or complete abandonment of the projects we undertake. This may have a material adverse effect on our business operations, financial condition and reputation.

While our Company has not faced any instance of contractual termination, invocation of indemnity, or dispute leading to delay or abandonment of any project as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not occur in the future, which could adversely affect our business operations, financial condition, and reputation.

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

We are engaged in the operations and maintenance (O&M) of STPs, water supply projects, and sewerage schemes post-commissioning, across various government contracts. These services are generally resource-intensive and depend significantly on the availability and performance of machinery, pumping stations, electrical control systems, mechanical parts, and mobile service equipment. For further information, kindly refer “*Our Business – Our Order Book for O&M*” on page 241 of the Draft Red Herring Prospectus.

We deploy critical plant and equipment—including bar screens, blowers, SCADA systems, decanters, and pumps—which are necessary for maintaining treatment capacity and discharge standards under applicable effluent or water quality norms. The destruction, theft, malfunction, or prolonged downtime of such machinery due to wear and tear, accident, or vandalism can impact service continuity. In particular, delays in the repair or replacement of imported parts or specialized components sourced from OEMs (original equipment manufacturers) may result in penalty deductions under O&M contracts.

Although we have not experienced such incidents in the past, there can be no assurance that such risks will not arise in the future. Any unavailability of key equipment or breakdown of machinery during ongoing O&M assignments may render us unable to meet our contracted performance obligations, leading to breach of service-level standards, revenue loss, or invocation of contractual penalties. Additionally, if such events are not adequately covered under our insurance policies or if the claim settlement is delayed or disputed, it may further affect our liquidity and financial position.

Our ability to sustain long-term O&M contracts is critically dependent on preventive maintenance, availability of spare parts, timely repairs, and technical intervention—all of which involve coordination between our internal engineering teams and external vendors. As we continue to expand our portfolio of O&M projects across regions, these risks may be magnified and could adversely impact our business, cash flows, and results of operations.

29. *Our government contracts usually contain terms that favour government clients. Our ability to negotiate the standard form of Government contracts is limited and we may be required to accept unusual or onerous provisions in such contracts, which may affect the efficient execution and profitability of our projects.*

The counterparties to a number of our construction contracts are government entities and these contracts are usually based on standard terms and conditions set out by the government entities. We thus have had only a limited ability to negotiate the terms of these contracts, which tend to favour our government clients and we may be required to accept unusual or onerous provisions in such contracts in order to be engaged to execute such projects. For example, the terms laying out our obligations as well as operation and maintenance specification for our projects are determined by the Government entities and we are not permitted to amend such terms or specifications. Additionally, our projects provide the Government authority with a right to terminate the contract unilaterally without assigning any reason. These onerous conditions in the Government contracts may affect the efficient execution of these projects and may have adverse effects on our profitability.

While our Company has not faced any instance of contract termination, invocation of liquidated damages, or disqualification under any government contract as on date of the Draft Red Herring Prospectus, there can be no assurance that such events will not occur in the future, which could adversely affect our project execution, profitability, and financial condition.

30. *Inadequate performance or failure to comply with contractual standards under Operation and Maintenance (O&M) works may result in penalties, termination of contracts, or reputational harm, and could adversely impact our business and financial condition.*

Our Company undertakes operation and maintenance (O&M) works as part of several government-awarded projects. These O&M works typically follow the execution and commissioning of wastewater treatment plants and are governed by detailed performance standards prescribed in the underlying contracts with the awarding authorities. As on June 30, 2025, our O&M Order Book comprises 5 projects, aggregating to a value of ₹201.60 million, with contract periods ranging from 5 to 10 years. For further details, kindly refer to “*Our Business – Our Order Book for O&M*” on page 241 of the Draft Red Herring Prospectus.

Under the terms of these contracts, we are required to comply with specified maintenance protocols and quality benchmarks, including periodic assessments of treated water quality and project upkeep by independent third-party agencies. Non-compliance with performance obligations may result in liquidated damages, withholding of payments, or, in some cases, termination of the concession or service agreement.

Based on our records and confirmations from project/O&M teams, up to June 30, 2025, there have been no instances of contractual non-compliance under our O&M contracts that have resulted in the imposition of liquidated damages/penalties, termination notices, declaration of material default, or invocation of performance securities. This past performance, however, does not eliminate the risks described below.

Our cost structure may also be affected by unforeseen increases in O&M expenditure arising from (i) revisions in statutory maintenance standards; (ii) rise in manpower and input costs; (iii) increased frequency of major repairs; or (iv) higher fuel and electricity consumption. Moreover, technical disruptions in our operational systems or failure to meet stipulated service levels may adversely impact our financial performance.

Any significant deviation from contracted performance standards, whether due to operational inefficiencies, external cost escalations, or systemic failures, may result in the imposition of penalties, adversely affect our cash flows, and materially impact our business, reputation, and results of operations. There can be no assurance that we will not experience such instances in the future.

31. *We are presently unable to trace the educational certificates of one of our Director and Promoter and certain Senior Management Personnel.*

One of our Director and Promoter, Mrs. Rekha Tyagi (stated to hold a Bachelor of Arts degree from Meerut University), and two of our Senior Management Personnel, Mr. Rajiv Tyagi (stated to be a graduate from the University of Delhi, 1991) and Mr. Fateh Chand Sharma (stated to hold a Bachelor of Science degree from Chaudhary Charan Singh University, 1996), possess the necessary experience for their respective positions. However, the original copies of their degree certificates are presently untraceable, and accordingly, their educational qualifications are not reflected at the relevant places in the Draft Red Herring Prospectus.

The concerned individuals have provided written confirmations/undertakings regarding the misplacement of their certificates. Applications have been submitted to the respective universities, together with identity documents and prescribed fees, for verification and issuance of duplicate certificates/mark-sheets.

Further, there can be no assurances that they will be able to trace or obtain the relevant documents pertaining to their educational qualifications in future or at all. For details of their profiles, kindly refer “*Our Management*” beginning on page 303 of the Draft Red Herring Prospectus.

32. *Potential and perceivable conflict of interest in view of Mr. Sanjay Tyagi’s prior employment with Ghaziabad Development Authority (GDA) during the period after our incorporation may expose us to scrutiny and could adversely affect our reputation and business.*

Mr. Sanjay Tyagi served as an Engineer with the Ghaziabad Development Authority (“GDA”) from January 1990 to March 2007. Our Company was incorporated on October 21, 1998, and Ms. Rekha Tyagi (spouse of Mr. Sanjay

Tyagi) has been a Director since incorporation. As disclosed in the chapter titled ‘*Our History and Certain Corporate Matters*’ on pages 298 and 299 of the Draft Red Herring Prospectus, our Company has secured road construction contracts from GDA, awarded through open, competitive tenders.

Given the overlap between our Company’s period of operation and Mr. Sanjay Tyagi’s employment with GDA, there exists a potential for perceivable or alleged conflict of interest, particularly in relation to road construction contracts awarded during the year 2003–2004. Based on our internal records and confirmations, these projects were awarded to our Company in the ordinary course through open tendering processes, and Mr. Sanjay Tyagi was not involved in any capacity concerning their award, technical sanction, or execution oversight during his GDA employment.

While there has been no complaint, inquiry, or proceeding initiated by GDA or any authority regarding conflict of interest or misconduct in respect of these contracts, perceptions of conflict may nonetheless arise and could lead to scrutiny by public authorities or regulatory agencies, temporary suspension from participation in tenders, or reputational implications. Any such scrutiny, even if ultimately unsubstantiated, could affect our relationships with public sector clients and have a potential impact on our business or future bidding opportunities.

As of the date of the Draft Red Herring Prospectus, there are no proceedings or orders against our Company, its Directors, or Key Managerial Personnel in relation to any alleged conflict of interest or GDA-related transactions. For details of Mr. Sanjay Tyagi’s professional background, kindly refer “*Our Management – Brief Profiles of our Directors*” beginning on page 306 of the Draft Red Herring Prospectus.

33. *Our Company has experienced multiple instances of minor delays in filing of returns required under the CGST Act, 2017, the Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.*

During the last Financial Years, we have had instances of delays in the payment of certain statutory dues with respect to GST, employee provident fund contributions. The table below sets forth the details of the statutory dues paid by us in relation to our employees for the periods indicated:

Details of delay filing of the Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 from F.Y. 2023 till the F.Y. 2025: -

FY	Month in which delay occurs	Due date of payment	Actual date of payment	Remarks
2018-19	April 18	15.05.2018	16.05.2018	The payment was delayed by 1 day only due to the technical issue at EPF portal
2019-20	July 2019	15.08.2019	19.08.2019	Payment was delayed by 4 days due to the delay in collecting the required attendance and other required data (salary bifurcation etc) from various sites of the company
2020-21	May 2020	15.06.2020	16.06.2020	There was actually no delay because the payment was done by the company on 15.06.2020, however due to portal technical issue the challan was generated on 16.06.2020
	June 2020	15.07.2020	31.07.2020	Payment was delayed by few days due to the delay in collecting the required attendance and other required data (salary bifurcation etc) from various sites of the company
	July 2020	15.08.2020	16.09.2020	
	Aug 2020	15.09.2020	16.09.2020	
	September 2020	15.10.2020	24.10.2020	
	November 2020	15.12.2020	31.12.2020	

	January 2021	15.02.2021	17.02.2021	There was actually no delay because the payment was done by the company on 15.02.2021, however due to portal technical issue the challan was generated on 16.06.2020
	March 2021	15.04.2021	17.04.2021	Payment was delayed by 2 days due to the delay in collecting the required attendance and other required data (salary bifurcation etc) from various sites of the company
2021-22	April 2021	15.05.2021	31.05.2021	Payment was delayed by few days due to the delay in collecting the required attendance and other required data (salary bifurcation etc) from various sites of the company
	May 2021	15.06.2021	19.06.2021	Payment was delayed by few days due to the delay in collecting the required attendance and other required data (salary bifurcation etc) from various sites of the company
	June 2021	15.07.2021	17.07.2021	There was actually no delay because the payment was done by the company on 15.07.2021, however due to portal technical issue the challan was generated on 17.07.2021
	August 2021	15.09.2021	16.09.2021	There was actually no delay because the payment was done by the company on 13.09.2021, however due to portal technical issue the challan was generated on 16.09.2021
	September 2021	15.10.2021	18.10.2021	Payment was delayed by few days due to the delay in collecting the required attendance and other required data (salary bifurcation etc) from various sites of the company
	October 2021	15.11.2021	19.11.2021	
	November 2021	15.12.2021	25.12.2021	
	December 2021	15.01.2022	28.01.2022	
2022-23	April 2022	15.05.2022	26.05.2022	There was delay due to the technical issue of EPF portal
	May 2022	15.06.2022	16.06.2022	
2023-24	No delay payment			
2024-25	Feb 2025	15.03.2025	15.03.25 & 27.03.2025	There was delay in EPF payment on account of addition of new employees, whose EPFS payment was delayed and paid on 27 th March 2025, however the EPF payment for the existing employees were paid on the due date, i.e. by 15 th March 2025.

Delays under GST Act regarding GSTR 3B and GSTR1 from F.Y. 2023 till the F.Y. 2025:

Sr. No.	Financial year	Delay in States	Reason
1.	2017-18	Uttar Pradesh, Rajasthan & Uttarakhand	The GST was implemented for the first time in the financial year 2017-18, i.e. from July 2017. The Act was totally new for all the entities as well as for the professionals. Moreover, the GST portal was also not very much familiar immediately to the users, so at that time it took time to prepare the return, to update the accurate credits etc. The credits were not available accurately. The portal does not work properly and even there were continuous updates and amendments were coming on regular basis during that period so on account of all these factors, the delays happened
2.	2018-19	Uttar Pradesh, Rajasthan & Uttarakhand	
3.	2019-20	Uttar Pradesh, Rajasthan & Uttarakhand	The company is engaged into Government contractor and so it also always good amount of purchases every month, which results in high GST credits, which needs to be reconciled every year, therefore, during these two years, few delays was due to delay in making GST credit reconciliation by the team as these two years were also affected by Covid-19 and the staff also works from home also, and such conditions allows to work with multiple restrictions so the delay was happened
4.	2020-21	Uttar Pradesh & Rajasthan	
5.	2021-22	Uttar Pradesh & Rajasthan	There was not much delay in this year as the Rajasthan GSTR 3B was delay in April 2021 month only due to the delay in filling the March 2021 return as technically next GSTR can not be filled until the previous one is filled Further there were few delays in Uttar Pradesh GSTR, which were also by 4-5 days only and this was due to the delay in making monthly GST credit reconciliation, which is actually a lengthy exercise for every month due to many transactions in a month.
6.	2022-23	Uttar Pradesh & Rajasthan	There were also 3 times delays, two times delays were in the Rajasthan GSTR 3B in the month of April 2022 & June 2022, which was due to delay in preparation of monthly GST reconciliation. Further in Uttar Pradesh, April 2022 GSTR 3B was delayed due to the delay in preparation of monthly GST reconciliation
7.	2023-24	Uttar Pradesh & Rajasthan	There were also 3 delays, one time delay was in the Rajasthan GSTR 3B in the month January 2024 and two times delay in the GSTR 3B of Uttar Pradesh in the month of September 2023 & January 2024 (1 day delay each) and such delays were also due to delay in preparation of monthly GST reconciliation.

8.	2024-25	Uttar Pradesh, Rajasthan & Uttarakhand	There were delays in GSTR 3B by few days only and the major delay was on account of that the company was under appeal for the GST applicability matter for Rajasthan state and the billing was made considering the GST exemption, however later on that same fall under GST and so the liability for the same was booked in FY 2023-24 and was paid during FY 2024-25.
9.	2025-26	Uttar Pradesh, Rajasthan, Uttarakhand & Delhi	There were only on time delay in filling GSTR 3b for the state of Uttar Pradesh, Delhi & Uttarakhand and 3-4 times delay in GSTR 3B of Rajasthan State, these delays were also on account of preparing reconciliation of monthly GST credit.
In respect of the delays as mentioned in the above mentioned years, we wish to state here that if your good self will analysis then you will find that the delays in filling the GSTR are very less in last 4-5 years as the company is making its practice to prepare all the required documents/information's before time so that delays can be zero, because now the credit taken system in GST portal has also been improved and is now systematic, however in the initial years the credits each credit has to be checked and booked manually. Which was time taking exercise and resulting in delays. Therefore, as delays in filling GSTR 3B, by the company, is also reducing continuously year on year and we assure your good self that we will do all the best and possible efforts to make this delay zero.			

These delays were primarily due to the administrative and technical errors. We have since taken steps such as channelling more resources towards improving our administrative systems and training our staff to rectify such delays. However, there can be no assurance that such delays may not arise in the future. This may lead to additional fee and financial penalties from respective government authorities. While we have been required to make payment of fines/ penalties for delays in payment of such statutory dues, wherever applicable, these have not been material in nature. However, we cannot assure you that we will not be subject to such penalties and fines in the future which may have a material adverse impact on our financial condition and cash flows.

34. *We may be subject to liability claims or claims for damages or termination of contracts for failure to meet project completion timelines or defective work, which may adversely impact our profitability, cash flows, results of operations and reputation.*

We undertake infrastructure projects—including WWTPs, WSSPs, roads, and electrical systems—pursuant to contracts with government authorities and public sector undertakings. These agreements typically contain provisions that impose liquidated damages in the event of project delays, subject to customary exclusions such as force majeure events or delays solely attributable to the contracting authority. In such cases, the client may deduct penalties directly from milestone payments otherwise due to us.

During both the construction phase and the post-completion defect notification period, we are contractually obligated to rectify any construction or performance deficiencies at our own cost and risk. The defect liability period generally ranges from 12 to 60 months, during which we remain responsible for addressing any defects or non-conformities. In certain contracts, we may also be required to indemnify the contracting authority for losses arising from our failure to fulfill contractual obligations.

Apart from monetary penalties, failure to meet project deadlines or perform quality-compliant work may harm our business reputation and client relationships. Government authorities may reserve the right to terminate contracts in case of material delays or defective performance not falling within agreed exclusions. Upon termination, we may be entitled only to partial compensation, which may not be commensurate with the work completed or the expected revenue from the project.

Delays in execution may also result in cost overruns, which can affect project profitability and overall viability. Factors contributing to such delays in past projects include:

- i. delays in handover of hindrance-free sites,
- ii. delays in approval of designs and drawings,
- iii. delays in payment release,
- iv. delays in providing sewage or effluent inlet connections,
- v. delays in providing electrical connections, and
- vi. seasonal disruptions due to heavy rainfall.

As of the date of the Draft Red Herring Prospectus, we have not been subjected to liquidated damages or termination for reasons attributable to us, there can be no assurance that such claims will not arise in the future. Any imposition of liquidated damages, liability claims, or contract terminations may materially and adversely affect our profitability, cash flows, financial condition, and business operations.

35. *Environmental protection policies, legislation, regulations, and judicial directives significantly influence government spending on water reuse solutions. These frameworks are subject to change due to evolving political, social, and economic factors. Amendments to laws and regulations related to environmental protection, water supply, treatment, and discharge may alter the demand for our services. Such changes could materially and adversely impact our business, financial condition, and results of operations.*

Our operations involve risks inherent in providing erection, civil construction, and maintenance services, including equipment failures, work-related accidents, fire, explosions, and other hazards that could result in injuries, loss of life, significant damage to property and equipment, and environmental harm. Additionally, the construction and development of these projects are subject to implementation risks, such as construction delays, disruptions in the supply of raw materials, unanticipated cost escalations, force majeure events, and cost overruns. Furthermore, we may encounter the following risks:

- ✓ unforeseen technical problems, disputes with works and labour contractor, force majeure events and unanticipated costs due to defective plans and specifications;
- ✓ not being able to obtain adequate capital or other financing at affordable costs or obtain any financing at all to complete construction and installation of any of our projects;
- ✓ not being able to provide the required guarantees under project agreements or enter into financing arrangements;
- ✓ experiencing shortages of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply markets;
- ✓ geological, construction, excavation, regulatory and equipment problems with respect to operating projects and projects under construction;
- ✓ the relevant authorities may not be able to fulfil their obligation prior to construction of a project, in accordance with the relevant contracts resulting in unanticipated delays;
- ✓ spread of infectious diseases at our project sites, resulting in temporary shutdown of operations at such sites until such sites are successfully decontaminated and the relevant persons are quarantined;
- ✓ delays in completion and commercial operation could increase the financing costs associated with the construction and installation and cause our forecast budget to be exceeded;
- ✓ risk of equipment failure that may cause injury and loss of life, and severe damage to and destruction of property and equipment; and
- ✓ other unanticipated circumstances or cost increases.

WWTPs and WSSPs typically have long gestation periods and require substantial capital infusion at periodic intervals. However, payments through running account bills are cleared subject to approval by the respective government authorities. There is no assurance that these projects will be completed within the expected timelines. There have been instances where delays occurred due to government authorities/bodies not providing land promptly to commence the construction and installation of the WWTPs and WSSPs. If any of these risks materialize, we may face significant cost overruns or even losses due to unanticipated cost increases, which could materially and adversely affect our business, profitability, and results of operations.

36. *Our operations across diverse geographical regions expose us to executional, regulatory, and logistical challenges that may adversely affect our project performance and financial condition.*

As on June 30, 2025, we have successfully executed infrastructure projects—including WWTPs, WSSPs, roads, and other public utility works—across multiple states in northern India over the past 5 years. While this geographic diversification enhances our market reach and order book visibility, it also introduces region-specific challenges that may affect execution timelines and costs.

Such challenges include variations in topography, climate conditions (particularly project delays during monsoon seasons), regional labour availability, transportation and supply chain limitations, and differing regulatory frameworks and administrative processes across states. Our engagement with new subcontractors, limited familiarity with local socio-political dynamics, and language or cultural barriers may also complicate site coordination and stakeholder communication.

Operational and administrative inefficiencies in unfamiliar territories may result in cost overruns, workforce mobilization issues, or delays in obtaining local clearances. Additionally, logistical bottlenecks or disputes with local authorities, vendors, or communities may disrupt project progress.

Any inability to efficiently manage region-specific risks and coordinate execution across diverse locations could adversely affect the cost efficiency, timelines, and profitability of our projects, thereby impacting our business operations, financial condition, and results of operations.

While our Company has not encountered any instance of project delay, disruption, or cost and time overrun solely attributable to region-specific or inter-state operational challenges as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not arise in the future, which could adversely affect our business, results of operations, and financial condition.

37. *Failure to increase the size of our projects or enhance our pre-qualification credentials may negatively impact our growth prospects.*

We have executed and upgraded STPs ranging from 3 MLD to 56 MLD in capacity. Projects with higher installed capacities typically attract lower competition, enable greater economies of scale, and allow for more efficient deployment of resources, thereby offering the potential for improved margins. We intend to continue focusing on the design, construction, operation, and maintenance of wastewater treatment plants, with the strategic objective of scaling up to higher capacity projects.

An increase in the size and complexity of executed projects also contributes to our technical pre-qualification for future bids involving large-scale public infrastructure contracts. We continue to pursue opportunities for WWTPs and WSSPs on an EPC basis, either independently or through joint venture partnerships. For further details on our completed projects, kindly refer “Our Business – Our Order Book for Completed Projects” on page 243 of the Draft Red Herring Prospectus.

However, our ability to qualify for and secure larger contracts depends on our financial, technical, and operational track record, including the timely and quality execution of ongoing projects. Any failure to win or execute high-capacity projects may limit our pre-qualification credentials and competitiveness in future tenders. Such limitations could, in turn, constrain our order book expansion and adversely impact our growth trajectory, financial condition, and results of operations.

While our Company has not been disqualified, denied pre-qualification, or faced rejection in any bid process for large-capacity projects as on date of the Draft Red Herring Prospectus, there can be no assurance that such events will not occur in the future, which could adversely affect our ability to secure new projects, expand our order book, and sustain our growth prospects.

38. ***Our Promoters and members of Promoters Group & relatives of our Promoter & Promoter group have mortgaged their personal properties and provided personal guarantees for our borrowings to secure our loans. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters and members of Promoters Group in connection with our Company's borrowings.***

Our Promoters, and our Promoters Group & relatives of our Promoter & Promoter group have mortgaged their personal properties and provided personal guarantees for our borrowings to secure our loans as disclosed below:

Sr. No.	Bank Name	Guarantee
1	Kotak Mahindra Bank Limited	Personal Guarantee of Sanjay Tyagi, Rekha Tyagi, Kartikey Tyagi. Plot No. 17, Block A, Sector 49, Noida-201301, Uttar Pradesh owned by Sanjay Tyagi & Rekha Tyagi (First & Exclusive Charge). Plot No. C-83, RDC Raj Nagar, Ghaziabad-201002, Uttar Pradesh, owned by M/s Shiv Durga Constructions Company Proprietor Anju Sharma (relative of Promoter group) (First & Exclusive Charge).
2	Punjab National Bank Limited	Personal Guarantee of Sanjay Tyagi, Rekha Tyagi, Kartikey Tyagi, M/s Kartikey Constructions (Partnership Firm), Mam Chand Tyagi, Rajiv Tyagi, Sandhya Tyagi, Madhusudan Gupta, Kamlesh Gaur, Neeraj Tyagi, Saroj Bala and M/s Unimax Build Estate. Property bearing No. B-27, Sector-49, Noida, Gautam Budh Nagar, Uttar Pradesh-201301, India, owned by Mr. Sanjay Tyagi & Mrs. Rekha Tyagi. Plot bearing No. NK-II 265A, Indirapuram, Ghaziabad, Uttar Pradesh, owned by Mrs. Rekha Tyagi. Khasra No. 85, Min at Village Morti, Pargana Jalalabad, Ghaziabad, Uttar Pradesh, owned by Mr. Mam Chand Tyagi. House No. 3/1223 at Sector-3, Vasundhara Yojna, Vashundhara, Ghaziabad, Uttar Pradesh, owned by Mr. Rajiv Tyagi. Lease hold (JDA) Plot No. 44, Gulmohar Park-I, Mahal Jagatpura, Jaipur, Rajasthan, owned by Mr. Madhusudan Gupta. Lease hold (JDA) Plot No.45, Gulmohar Park-I, Mahal Jagatpura, Jaipur, Rajasthan, owned by Mr. Madhusudan Gupta. Lease hold (JDA) Plot No.52, Gulmohar Park-I, Mahal Jagatpura, Jaipur, Rajasthan, owned by Mr. Madhusudan Gupta. Lease hold (JDA) Plot No.53, Gulmohar Park-I, Mahal Jagatpura, Jaipur, Rajasthan, owned by Mr. Madhusudan Gupta.

		Lease hold (JDA) Plot No. S 59, Mahesh Nagar, Jaipur, Rajasthan, owned by Ms. Kamlesh Gaur. Under Construction Building on lease hold (JDA) Plot No. B 181, SEZ at Village Jhai, Tehsil, Sangner, Jaipur, Rajasthan, owned by M/s Unimax Build Estate. Property situated at 29, Avadhपुरi, Near Mahesh Nagar, Jaipur, Rajasthan, owned by Ms. Kamlesh Gaur. House No. 474/11 at North Civil Lines, Muzaffarnagar, Uttar Pradesh, owned by Ms. Saroj Bala.
3	ICICI Bank Limited	Personal Guarantee of Sanjay Tyagi, Rekha Tyagi, Kartikey Tyagi.
4	HDFC Bank Limited	Personal Guarantee of Sanjay Tyagi, Rekha Tyagi, Kartikey Tyagi and Counter bank guarantee of Technocraft Ventures Limited.

If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters and Promoters Group and relatives of our Promoter & Promoter Group in connection with our Company's borrowings.

39. *Our contracts with government authorities/bodies typically include terms that are more favorable to them, allowing for the possibility of premature termination under circumstances beyond our control.*

We execute most of our infrastructure projects—including wastewater treatment plants, water supply schemes, roads, and electrical works—pursuant to contracts with government authorities and public sector bodies. These contracts are typically non-negotiable, and the terms are standardized in favour of the awarding authority. As such, we have limited ability to modify provisions relating to our obligations, payment terms, construction rates, liability, and dispute resolution.

These government contracts often contain onerous provisions, including:

- i. Transfer of significant project execution risk to the contractor, without reciprocal obligations on the part of the client;
- ii. Liability for defects arising even after project termination or handover;
- iii. Discretionary powers of the client to extend project timelines, potentially causing delays and cost overruns without guaranteed compensation;
- iv. Exposure to consequential or economic loss claims initiated by the client;
- v. Delays in land acquisition, utility shifting, or regulatory clearances, which remain the client's responsibility but may materially impact execution; and
- vi. The client's right to unilaterally suspend or terminate the contract with notice, including for reasons unrelated to contractor performance.

While these contracts may provide for compensation in the event of termination not arising from our default, such compensation typically covers only unrecovered investments and does not account for lost profits. Moreover, the compensation process may be protracted, and the amount ultimately disbursed may fall short of our financial exposure. In such circumstances, we are also required to hand back the construction site and project assets to the

authority, often without full cost recovery.

Further, in the event of any alleged breach or default on our part, government entities may suspend us from executing project work, impose penalties, or invoke indemnification clauses. Although we have not experienced such suspension or termination in the recent past, the asymmetrical terms of our government contracts increase our exposure to operational disruptions, revenue uncertainty, and reputational risk. These risks may materially affect our project delivery, financial condition, and results of operations.

40. *We may not be able to successfully protect our brand name and trademark, which may adversely affect our business, reputation, and competitive position.*

We have filed an application for registration of our logo as a device mark under Class 37 vide application no. 6798628, of the Trade Marks Act, 1999. As on the date of the Draft Red Herring Prospectus, the status of our application is “Formalities Check Pass.” For further details, kindly refer “Our Business – Intellectual Property” on page 279 of the Draft Red Herring Prospectus.

There is no assurance that our trademark will be successfully registered or that third parties will not oppose the registration. Until registration is granted, our ability to enforce exclusive rights over the use of the mark remains limited. Any failure to secure or maintain trademark protection may result in loss of brand identity or dilution of market recognition, particularly if similar marks are used by competitors or unrelated entities in the EPC or infrastructure sector.

In addition, enforcement of intellectual property rights whether through opposition, infringement suits, or cease-and-desist actions—may require significant legal expenditure and managerial attention. These efforts may not always result in favorable outcomes and could divert resources from our core business operations. Any adverse ruling or inability to prevent unauthorized use of our mark may impact our reputation, erode competitive advantage, and adversely affect our business prospects and financial results.

41. *Our inability to respond effectively to increasing competition may adversely impact our business, financial condition, and results of operations.*

We operate in a competitive infrastructure development environment, particularly in sectors such as WWTPs WSSPs, and related EPC services. We face competition from a range of players, including large, well-established domestic companies with greater financial resources, stronger brand recognition, wider operational footprints, and the capacity to execute larger and more complex projects.

Additionally, emerging players and new entrants with greater operational flexibility or technological agility may intensify competition. Competitive factors include not only pricing but also execution capability, technological efficiency, compliance record, and overall value proposition to the client.

We have previously encountered significant price-based competition in government tenders. Continued or increased price pressure may require us to submit lower-margin bids, potentially affecting our revenue generation and profitability. Moreover, some of our competitors may be able to offer more aggressive pricing, faster project delivery timelines, or better access to skilled resources, which could erode our competitive position and restrict our ability to secure new contracts.

There can be no assurance that we will continue to maintain or grow our market share in the face of such competition, or that our existing cost structures will remain sustainable in a more competitive landscape. Any inability to adapt to evolving market dynamics may adversely affect our business operations, financial condition, and long-term growth.

42. Industry information included in the Draft Red Herring Prospectus has been derived from an industry report issued by CRISIL Intelligence dated August 05, 2025 ("CRISIL Report"). There can be no assurance that such third-party statistical, financial and other industry information is complete, reliable or accurate.

The Draft Red Herring Prospectus includes information from the report titled 'Assessment of infrastructure construction industry in India with focus on water and wastewater management' dated August 05, 2025 prepared by CRISIL Intelligence ("CRISIL Report").

For further details, kindly refer "Industry Overview" beginning on page 152 of the Draft Red Herring Prospectus. CRISIL Intelligence is an independent agency and does not have any relationship with our Company, Promoters, Directors, or the Book Running Lead Manager as of the date of the Draft Red Herring Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors are advised to rely on their independent evaluation and should not place undue reliance on or base their investment decisions solely on the information provided. This report does not constitute business, financial, legal, taxation, or investment advice. Recipients are strongly encouraged to consult with their own business, financial, legal, taxation, and other advisors for guidance regarding the transaction.

43. Some of our borrowings carry restrictive covenants or conditions and could affect our ability to manage our business operations.

Our borrowings from banks have certain restrictive covenants which could affect our operational flexibilities such as:

- Effecting any change in control/ ownership/ management/ directorship of our Company amongst others.
- Amending the constitutional documents of our Company, including the Memorandum of Association and Articles of Association.
- Effecting any changes to the capital structure or shareholding pattern of our Company.
- Enter into any scheme of merger, amalgamation, compromise or reconstruction, or do a buyback.
- Undertaking any new business, operations or projects or substantial expansion of any current business.
- operations, or projects; and
- Pledge of its shares to any other lender/entity.

Further, we have received NoC from following Bankers to the Company;

Name of the Bank/Lender	Date of NoC
Punjab National Bank Limited	June 20, 2025
Kotak Mahindra Bank Limited	June 09, 2025
ICICI Bank Limited	June 18, 2025
HDFC Bank Limited	June 27, 2025

Our inability to meet these conditions or ensure that compliance of these conditions do not hamper the operational flexibility needed from time to time could materially adversely affect our results of operations and financial conditions.

While our Company has not breached any restrictive covenant or received any notice of default from its lenders in respect of such borrowings as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not arise in the future, which could adversely affect our business reputation, cash flows, and financial condition.

44. *Our Company has engaged in related party transactions in the past with our Directors, Promoters, members/entities of the Promoter Group and Group Companies and may continue to do so in the future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations.*

In the ordinary course of business, we have engaged in transactions with certain related parties in the past and may continue to do so in the future. These transactions involve our Directors, Promoters, members/entities of the Promoter Group and Group Companies. Such transactions include, among others, the issuance of shares, remuneration, loans and advances, purchases, sales, and reimbursement of expenses etc. For further details, kindly refer “*Restated Consolidated Financial Information – Annexure 44 - Related Party Transactions*” on page 395 of the Draft Red Herring Prospectus. All such transactions have been conducted on an arm’s length basis and are accounted as per Ind AS 24 are in compliance with the provisions of the Companies Act, 2013 and other applicable laws.

Our Company has entered into such transactions due to easy proximity and quick execution. While all related-party transactions that we may enter into in the future will be subject to the requisite approvals of our Audit Committee, Board of Directors, or shareholders, as mandated by the Companies Act, we cannot assure you that such transactions, whether individually or collectively, will not adversely affect our financial condition or results of operations. Further, there can be no assurance that we could not have secured more favorable terms if these transactions were conducted with unrelated parties.

While our Company has not entered into any related party transaction that has been determined to be non-compliant with applicable laws or prejudicial to the interests of the Company as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not arise in the future, which could adversely affect our business operations, and financial condition.

45. *If we are not successful in managing our growth, our business may be disrupted and our profitability may be reduced.*

We have experienced a steady growth in recent years and expect our businesses to continue to grow significantly. Our future growth is subject to risks arising from a rapid increase in order volume, and inability to retain and recruit skilled staff. Although, we plan to continue to expand our scale of operations through organic growth or investments in other entities, we may not grow at a rate comparable to our growth rate in the past, either in terms of income or profit or work quality. Our future growth may place significant demands on our management and operations and require us to continuously evolve and improve our financial, operational and other internal controls within our Company. In particular, continued expansion may pose challenges in:

- maintaining high levels of project control and management, and client satisfaction;
- recruiting, training and retaining sufficient skilled management, technical and bidding personnel;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems;
- making accurate assessments of the resources we will require;
- adhering to the standards of health, safety and environment and quality and process execution to meet clients’ expectations;
- operating in jurisdictions and business segments where we have limited experience;
- preserving a uniform culture, values and work environment;
- strengthening internal control and ensuring compliance with legal and contractual obligations;
- managing relationships with clients, suppliers, contractors, investors, lenders and service providers; and
- Supporting infrastructure such as IT and HR management systems.

If we are not successful in managing our growth, our business may be disrupted and profitability may be reduced. Our business, prospects, financial condition and results of operations may be adversely affected.

In respect of our growth, kindly refer “*Our Business- Financial Performance of our Company* on page 231, *Our Strengths* on page 262, *Our Strategies* on page 265 and *Our Order Book* on page 232 of the Draft Red Herring Prospectus.

While our Company has not experienced any material operational disruption, or decline in profitability attributable to growth-related challenges as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not occur in the future, which could adversely affect our business, prospects, and financial performance.

46. *The average cost of acquisition of Equity Shares by our Promoters is lower than the floor price.*

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, kindly refer “Capital Structure” beginning on page 100 of the Draft Red Herring Prospectus.

47. *Any adverse revision to our credit rating by rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available.*

Currently, our borrowing facilities availed from the banks are rated by CARE Ratings and Brickwork Ratings, credit rating agency. The credit ratings assigned to bank facilities availed by our Company are as follows:

Type of credit rating	March 31, 2025	March 31, 2024	March 31, 2023
Date of Rating	March 31, 2025	February 01, 2024	September 20, 2022
Ratings Agency	Care Ratings	Care Ratings	Brickwork Ratings
Bank Facility	₹ 250.00 Crores	₹ 170.00 Crores	₹ 120.00 Crores
Long term rating	CARE BB+; Stable	CARE BB+; Stable	BWR BBB /Stable
Short term rating	CARE BB+; Stable / CARE A4+	CARE BB+; Stable / CARE A4+	BWR A3

Though the ratings have not been downgraded in the past three years, any downgrade in our credit ratings by rating agencies in future may increase our costs of accessing funds in the capital markets and adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures or other purposes.

48. *Our inability to effectively execute our growth strategies, including expansion into Hybrid Annuity Model (HAM) projects and new geographies, could adversely impact our business, financial condition, and results of operations.*

As part of our future growth plans, we intend to selectively pursue Hybrid Annuity Model (HAM) projects in the water and wastewater treatment segment and expand into new geographies across India. These initiatives are expected to strengthen our presence in the EPC space and diversify our revenue base. For further details, kindly refer “Our Business – Our Strategies” on page 265 of the Draft Red Herring Prospectus.

However, our ability to successfully implement these strategies depends on various factors, including identification of suitable projects, accurate assessment of financial and operational viability, timely availability of capital and human resources, and obtaining requisite regulatory and environmental approvals. HAM projects, in particular, involve long gestation cycles and require substantial upfront capital investment and working capital commitments. There can be no assurance that we will be able to secure the funding required for such projects at terms favourable to us or at all.

Execution of our growth strategies may also place significant demands on our management and operational infrastructure, including internal processes, systems, and manpower. In addition, entry into new geographic

markets may expose us to operational and regulatory risks associated with unfamiliar regional dynamics, potential delays in mobilization, or the absence of established vendor or labour relationships in those areas.

We may also face delays in project execution, cost overruns, increased competition, or the risk of not winning bids for new projects. Any delay or inability to implement our growth strategy or failure to achieve anticipated benefits may materially affect our business, prospects, and profitability. Additionally, if our plans are financed through additional debt, our interest obligations and leverage may increase, which could restrict operational flexibility.

Accordingly, any failure to efficiently implement our growth strategies or manage associated risks may adversely impact our financial condition, business operations and overall performance.

49. *We may not be able to obtain adequate financing on acceptable terms in the future, which could adversely impact our growth plans and business operations.*

Our future business plans may require additional financing beyond the Net Proceeds from issue of fresh equity shares and our internal accruals. Such funding could be needed for working capital, expansion of operations, or unforeseen project-related requirements. To meet these demands, we may be required to access external financing, including new debt facilities from banks and financial institutions.

However, the availability and cost of such financing are subject to a number of factors, many of which are beyond our control. These include our financial condition, operational performance, prevailing interest rates, our credit profile, the terms of our existing borrowings, and broader economic and market conditions in India and globally. Our ability to raise debt may also be constrained by our existing leverage levels, potential covenant restrictions, or requirements to offer security in the form of pledges or guarantees.

If we are unable to secure additional funding on acceptable terms, in a timely manner, or at all, we may be forced to delay, modify, or abandon planned business initiatives. Such developments could adversely affect our ability to execute projects, pursue new opportunities, and achieve our targeted growth, thereby impacting our operational performance, financial condition, and future prospects.

50. *Inadequate or insufficient insurance coverage may expose us to significant losses, liabilities, or regulatory consequences, which could adversely affect our business, financial condition, and results of operations.*

Our operations involve inherent risks associated with the construction, installation, and operation of water and wastewater treatment projects (WWTPs and WSSPs), including potential accidents, damage to plant and machinery, employee injury or fatality, and damage during the transportation of equipment to project sites. In addition, we face risks such as power outages, labour disputes, equipment failure, natural disasters, and other force majeure events that could disrupt operations and lead to financial loss or liability.

Although we maintain insurance coverage for certain risks—including fire insurance for our registered office and project sites, and insurance for our vehicles and movable assets—our policies are subject to exclusions, deductibles, and coverage limits. For details of our insurance policies, kindly refer “Our Business – Insurance” on page 284 of the Draft Red Herring Prospectus. As on the date of the Draft Red Herring Prospectus, certain ongoing projects are not covered by dedicated insurance policies. However, we have not encountered any instance in the past three financial years, where the amount of claim made exceeded the insured amount or where a material loss occurred without insurance coverage.

Further, our insurance coverage may not be sufficient to cover potential losses or damages to life, property, and any consequential losses that may arise from such events, which could impact our operations and financial condition. Moreover, even if we are fully insured or not found liable for a fatal accident or incident causing damage or loss, it could harm our reputation, making it harder to conduct our business effectively and potentially affect our future Order Book and results of operations.

Further, in the future, we might also face challenges in obtaining insurance coverage for new projects at favorable rates, which could increase our costs. If we cannot secure adequate insurance or if our coverage is insufficient to cover losses, it could negatively impact our business, financial condition, and operations. Additionally, if our

projects are underinsured or uninsured, we may face penalties from government authorities for non-compliance with contract terms, potentially affecting our ability to bid for future projects.

51. *We will not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholder will receive the Net Proceeds from the Offer for Sale.*

Equity Shares held by one of the Promoters i.e. Kartikey Constructions, Partnership Firm (**“Promoter Selling Shareholder”**) have been held by such Promoter selling shareholder for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus with the SEBI and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. Further, the Promoter Selling Shareholder has confirmed that its Offered Shares are compliant with Regulation 8 of the SEBI ICDR Regulations.

The Promoter Selling Shareholder is offering 23,76,000 Equity Shares through Offer for Sale, which was acquired by Promoter Selling Shareholder on May 31, 2010. The Promoter Selling Shareholder will not offer any Equity shares acquired through bonus share issued on May 29, 2025.

The Offer consists of an Offer for Sale by the Promoter Selling Shareholder. The Promoter Selling Shareholder shall be entitled to the Net Proceeds from the Offer for Sale, which comprises proceeds from the Offer for Sale net of Offer Expenses for the share of the Offer for Sale. Our Company will not receive any proceeds from the Offer for Sale. For details, kindly refer **“Objects of the Offer”** and **“Capital Structure”** beginning on pages 121 and 100, respectively of the Draft Red Herring Prospectus.”

52. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.*

We have not paid any dividends on our Equity Shares in the past. The decision to declare future dividends, if any, will depend on factors that our Board considers relevant, including our future earnings, financial condition, cash flows, working capital needs, capital expenditures, applicable Indian legal restrictions, and other considerations. Therefore, there is no assurance that our Company will be able to pay dividends in the future. For further details, kindly refer ‘*Dividend Policy*’ beginning on page 330 of the Draft Red Herring Prospectus.

53. *We have issued the following shares in the last one year prior to the date of the Draft Red Herring Prospectus, which has been issued at a price lower than the Offer Price.*

The following shares of the Company have been issued in the last one year:

Date of Allotment	No. of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Nature of Allotment	Nature of Consideration	Reason
May 29, 2025	2,25,75,900	10.00	-	Bonus Issue of Shares in the ratio of 3:1	Other than Cash	Capitalisation of reserves

The above bonus shares were issued to Promoter & Promoter Group only as they are the only shareholders who held shares on the record date. The price at which Equity Shares have been issued by our Company in the immediately preceding one year is not indicative of the Offer Price at which the Equity Shares shall be offered and traded (subsequent to listing). For further information, kindly refer “Capital Structure” beginning on page 100 of Draft Red Herring Prospectus.

54. *Our operations may be adversely affected in case of industrial accidents at our construction sites.*

Usage of heavy machineries, laying of water pipes, safety equipment such as belts and ropes, air-blowers, the presence of toxic gases, or handling of sharp parts of machinery during construction activities or otherwise may

result in accidents. Such events could cause injury to labourers, employees, or other persons on site, and may prove fatal, in addition to causing damage to our properties and adversely affecting our operations.

While our Company has obtained Contractor's All Risks Insurance Policy, Employees' Compensation Insurance Policy, Standard Fire and Special Perils Insurance, and Erection All Risk Insurance, there can be no assurance that any claim under these insurance policies will be honoured fully, in part, or in time, or that we have taken out sufficient insurance to cover all material losses, which could adversely hamper our cash flows and profitability.

Except for the incident resulting in the registration of FIR No. 393 of 2023 dated December 13, 2023, at Police Station Kotwali, Jaunpur relating to the death of a worker during sewer excavation works in Jaunpur city, there have been no other industrial accidents reported at our construction sites up to June 30, 2025.

For further details, kindly refer to “*Our Business – Insurance*” on page 228 and “*Outstanding Litigation and Material Developments*” on page 482 of the Draft Red Herring Prospectus.

55. *We cannot assure you that the construction of our projects will be free from any and all defects.*

We cannot assure you that we will always finish the construction or development of our projects in accordance with the requisite specifications or that the construction of our projects will be free from any and all defects. If the work is unsatisfactory, the work has to be redone as per the instructions of the site-in-charge without any extra cost. In the event of discovery of defects/faults in our work, or due to damages to our construction due to factors beyond our control, or any of the other reasons, we may incur significant contractual liabilities and losses under our project contracts and such losses may materially and adversely affect our financial performance and results of operations. Further, it may result in cancellation of projects by clients and/or refund of any advance deposited with us by any customer, dissatisfaction among our customers, resulting in negative publicity, consumer litigation and lack of confidence among clients and all these factors could adversely affect our business, financial condition and results of operations.

Based on Company records, no claims on account of defects in construction were received from clients/awarding authorities during the last three Financial Years (i.e. 2025, 2024 and 2023.)

This historical position does not preclude the possibility of future claims. Any significant defect-related claim could result in rework at our cost, liquidated damages, withholding of payments or reputational impact, and may adversely affect our business, financial condition and results of operations.

56. *Water treatment or reuse and zero liquid discharge technology is subject to rapid change. These changes may affect the demand for our services. If we are unable to keep abreast of the technological changes and new introductions our business, results of operations and financial condition may be adversely affected.*

Water reuse and zero liquid discharge technology is subject to rapid change. These changes may affect the demand for our services and construction activities. Our future performance will depend on the successful installation of WWTPs and WSSPs with updated new, improved and enhanced technology catering to customer requirements and changing market trends. If our clients require a new technology or a technology which we are not able or capable to provide, we may be disqualified from bidding from such projects and if our clients continue to prefer a technology which we are unable to provide, our business, results of operations and financial condition would be adversely affected.

There is possibility that we may miss a market opportunity if we fail to invest, or invest too late, or would be unable to upgrade ourselves or enter into an arrangement with a technology partner. Changes in market demand may also cause us to discontinue existing or planned projects, which can have an adverse effect on our relationships with clients. If we fail to service or construct WWTPs or WSSPs in line with the changing preferences and market trends in our business, results of operations and financial condition could be adversely affected.

- 57. *Our employees may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements and the same may result in imposition of criminal proceedings, fines, revocation of regulatory approvals and harm to our reputation, any of which could form a material adverse effect on our business.***

We are exposed to the risk of employee fraud or other misconduct which could include intentional failures to comply with regulations, providing inaccurate information to regulatory authorities, not adhering to manufacturing standards, or misreporting financial data. In particular, our industry is subject to laws and regulations aimed at preventing fraud, misconduct, kickbacks, self-dealing, and other unethical practices. These regulations can restrict various business activities such as pricing, discounting, marketing, promotions, and customer incentive programs. Although we have not encountered such issues in the past, there is no guarantee that we will be able to detect and prevent fraud or misconduct effectively. If such misconduct occurs, we could face criminal penalties, fines, loss of regulatory approvals, and damage to our reputation, any of which could have a significant negative impact on our business.

- 58. *If we are unable to establish and maintain an effective internal control and compliance system, our business and reputation could be adversely affected.***

We are responsible for establishing and maintaining internal measures that align with the size and complexity of our operations. We continuously evaluate the adequacy and effectiveness of our internal systems to ensure that our operations comply with policies, regulations, and internal guidelines. Our internal processes and systems are periodically tested and updated, and there have been no significant instances of failure in maintaining effective controls. However, we remain exposed to operational risks due to the potential inadequacy or failure of these processes or systems, and our efforts may not always be sufficient to ensure effective checks and balances. We take reasonable measures to maintain appropriate compliance procedures and robust internal controls over financial reporting to ensure reliable financial reporting and prevent fraud. As risks evolve, our internal controls must be continuously reviewed, and maintaining these controls requires diligent compliance, which may still be subject to lapses or errors.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties, there is a potential risk that their actions could expose us to liability under these laws or other local anti-corruption regulations. While our code of conduct requires employees to comply with applicable laws, and we continuously enhance our policies and procedures to ensure compliance with anti-corruption laws, these measures may not entirely eliminate the risk of violations, particularly in emerging markets like India. Non-compliance with anti-corruption laws could result in criminal and civil penalties, disgorgement, sanctions, legal expenses, and other remedial actions, which could negatively affect our business, results, and financial condition. Furthermore, any investigation into potential violations by authorities could harm our reputation and operations.

While our Company has not experienced any instance of internal control failure, or compliance breach as on date of the Draft Red Herring Prospectus, there can be no assurance that such circumstances will not occur in the future, which could adversely affect our business operations, reputation, and financial condition.

- 59. *We are exposed to the risks of malfunctions or disruptions of information technology systems, which could adversely affect our business operations and financial condition.***

Our business operations across the engineering, procurement, construction, and commissioning lifecycle rely on various information technology (“IT”) systems and platforms for planning, execution, and control. These systems support functions such as project design and modeling (including CAD-based engineering and structural detailing), inventory and procurement planning, manpower deployment, performance tracking, finance and accounts, and HR processes. We also utilize cloud-based platforms and real-time dashboards to monitor project progress and enable communication between project sites and the corporate office.

Any malfunction, disruption, or security breach affecting these systems—due to reasons such as power outages, system errors, cyberattacks, data corruption, or connectivity failures—may impact our ability to execute projects in a timely and efficient manner. In particular, our reliance on digital coordination tools for inter-office communication, tender submissions, documentation, and statutory compliance introduces additional vulnerabilities. Prolonged IT downtimes or delays in system restoration could hinder workflow continuity, delay invoicing and billing processes, or impair financial reporting.

While we have not encountered material IT disruptions to date, there is no assurance that such events will not occur in the future. Any significant failure of our IT infrastructure or inability to secure and maintain the integrity of our systems could adversely impact our business continuity, reputation, results of operations, and cash flows.

60. *Our funding requirements and the proposed deployment of Net Proceeds from issue of fresh equity shares ("Net Proceeds") have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.*

We plan to use the Net Proceeds for the purposes outlined in "Objects of the Offer" beginning on page 121 of the Draft Red Herring Prospectus. As of the date of this document, our funding requirements are based on management estimates, the current state of our business, prevailing market conditions, and other commercial and technical factors and have not been appraised by any bank or financial institution. These estimates are based on current conditions and may change due to factors such as our financial condition, business strategy, and external influences like government policies, market conditions, competitive landscape, interest or exchange rate fluctuations, and other factors beyond our management's control. While we will use the Net Proceeds from fresh issue of equity shares for purposes such as part funding of working capital requirements of ₹ 1,380.00 million specified in "Objects of the Offer" beginning on page 121 of the Draft Red Herring Prospectus.

The deployment of the Net Proceeds through fresh issue of equity shares will be monitored by a monitoring agency as required by the SEBI ICDR Regulations. However, our internal management estimates may exceed the fair market value, which could lead to the need to reschedule or reallocate our expenditure, potentially impacting our business, financial condition, results of operations, and cash flows. We may need to reconsider our estimates or business plans due to changes in factors beyond our control, such as fluctuations in interest rates, changes in input costs, and other financial or operational factors. As such, prospective investors will need to rely on our management's judgment regarding the use of the Net Proceeds. Any delays or inefficiencies in deploying the Net Proceeds could negatively affect our business and results of operations.

61. *Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.*

Our Restated Consolidated Financial Information for the Fiscal 2025, 2024 and 2023, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by person not familiar with Indian accounting practices on the financial disclosures presented in the Draft Red Herring Prospectus should be limited accordingly.

62. *Our Promoters and certain members of our Board of Directors hold Equity Shares in our Company and are therefore interested in our performance beyond remuneration and reimbursement of expenses.*

Some of our Directors, including our Promoters, have an interest in the Company beyond their regular remuneration or benefits and reimbursement of expenses, due to their shareholding in the Company. For more

information, kindly refer “*Our Management*” beginning on page 303 of the Draft Red Herring Prospectus. However, there is no assurance that our Directors (including our Promoters) will always exercise their rights as shareholders in a manner that benefits or is in the best interest of the Company. Further, our Promoters will maintain significant control over the Company, including the ability to control the composition of our Board and make decisions requiring shareholder voting, whether by simple or special majority. As a result, other shareholders may have limited influence on the outcome of such decisions. Our Promoters may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

External Risk Factors

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

Over the past decade, India’s economy has undergone significant changes, with external trade and capital flows becoming increasingly important. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Conditions outside India may also contribute to a slowdown in the Indian economy or changes in India’s economic policies and regulations, which could adversely affect the level of trading activity in the securities market, such as the Russia-Ukraine war, power shortages in Europe, and rising inflation rates globally. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate. Further, the following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- i. increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- ii. downgrade of India’s sovereign debt rating by an independent agency;
- iii. political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- iv. civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war; and
- v. India has experienced epidemics, and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years.
- vi. contagious diseases such as the COVID-19 pandemic or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

64. *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 such as cyclones, floods, earthquakes, and man-made disasters like acts of terrorism, military actions, or civil unrest could negatively impact our operations, cash flow, or financial condition. Such events, including terrorist attacks or war, may disrupt the Indian securities markets. Additionally, deteriorating international relations, particularly between India and its neighboring countries, may raise investor concerns about regional stability, affecting the price of our Equity Shares. Social, economic, or political disturbances within India may also harm our business and negatively affect the market perception of investment in Indian companies, leading to a decline in the price of our Equity Shares.

We cannot assure that there will not be any such incidents or accidents in the future thereby causing an adverse effect on our business and operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. 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 price of the Equity Shares. India, along with several other countries in Asia and across

the world, remains susceptible to outbreaks of infectious diseases, including strains of influenza such as H1N1, H5N1, and H7N9, as well as viruses with pandemic potential. While the global impact of the COVID-19 pandemic has receded, the long-term economic and operational consequences continue to be felt across industries, including the infrastructure and construction sectors.

Further, the emergence of any new epidemic or pandemic, or a resurgence of COVID-19 or similar contagious diseases, may lead to disruptions in economic activity, supply chains, labour availability, or the implementation of government projects. Such developments could adversely affect our operations, project timelines, or financial performance. Consequently, any future public health crisis could have a material adverse effect on our business, results of operations, and the trading price of the Equity Shares.

65. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, could adversely affect our business, prospects and results of operations, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Further, any future amendments may affect our tax benefits such as exemptions for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemptions for interest received in respect of tax-free bonds, and long-term capital gains on equity shares. Changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

For instance, the Government of India has announced the union budget for the Financial Year 2026 (the “Budget”), pursuant to which the Finance Act, 2025 has amended the Income-tax Act, 1961, including the capital gains tax rates with effect from the date of announcement of the Budget. We have not fully determined the effects of these recent and proposed laws and regulations on our business.

The Government introduced (a) the Code on Wages, 2019 (“Wages Code”); (b) the Code on Social Security, 2020 (“Social Security Code”); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020, which consolidate, subsume and replace numerous existing central labor legislations. Except certain portions of the Wages Code, which have come into force pursuant to notification by Ministry of Labor and Employment, the rules for implementation under such codes are yet to be notified.

The Parliament of India has passed the Bharatiya Nyaya Sanhita, 2023, the Bharatiya Nagarik Suraksha Sanhita, 2023 and the Bharatiya Sakshya Adhinyam, 2023, which have repealed the Indian Penal Code, 1860, the Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively, with effect from July 01, 2024. The effect of the provisions of these on us and the litigations involving us cannot be predicted with certainty at this stage.

Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Uncertainty in the applicability, interpretation, or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current businesses or restrict our ability to grow our businesses in the future.

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

The Competition Act, 2002, as amended (the “Competition Act”) was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition (“AAEC”) in certain markets in India

and has mandated the Competition Commission of India (the “CCI”) to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an AAEC is deemed void and attracts substantial penalties.

Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of customers in the relevant market is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void. Further, the Competition Act prohibits abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and liable to be punished.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, certain 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. The effects of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of operations, cash flows and prospects.

The Government of India has also passed the Competition (Amendment) Act, 2023, which has proposed several amendments to the Competition Act, such as introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a “combination”, expedited merger review timelines, codification of the lowest standard of “control” and enhanced penalties for providing false information or a failure to provide material information.

If we pursue acquisitions in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of operations, cash flows and prospects.

67. We are entirely dependent on our operations in India for revenue, and any adverse changes in India’s economic, political or regulatory environment may negatively impact our business, results of operations, financial condition and the price of our Equity Shares.

Our Company derives all of its revenue from projects executed within India. Accordingly, our performance is closely linked to macroeconomic conditions and political developments in India. Any slowdown in the Indian economy, volatility in interest or inflation rates, decline in infrastructure spending, or reduction in government capital expenditure could materially and adversely affect the award of new projects and our ability to execute existing projects, which could, in turn, affect our revenues and profitability.

In recent years, the Indian economy has been subject to various macroeconomic headwinds, including rising inflation, high fiscal and current account deficits, volatility in the value of the Indian Rupee against major foreign currencies, elevated commodity and fuel prices, and tightening of liquidity conditions. Any further deterioration in these conditions may impair the Government’s ability to finance infrastructure projects, including WWTPs and WSSPs, which form the core of our business operations.

Further, the Indian financial system has experienced periodic disruptions, including credit tightness and sectoral lending constraints. Any adverse developments in the Indian banking sector or capital markets may impact our access to project finance, working capital facilities, or bank guarantees. Such constraints could delay or impede

project execution and strain our cash flows. For more information, kindly refer “*Financial Indebtedness*” beginning on page 428 of the Draft Red Herring Prospectus.

Our operations may also be impacted by changes in central or state government policies relating to infrastructure development, public procurement, or regulatory norms concerning environmental clearances and wastewater treatment technologies. Additionally, unforeseen political instability, social unrest, or significant policy shifts following general or state elections may create an uncertain business environment. Any changes in taxation policy, labour regulations, or the enforcement of contractual obligations by government agencies could further affect our cost structures and contractual rights.

The Government of India has historically exercised significant influence over the Indian economy and continues to intervene in various sectors through policy, regulatory, and fiscal instruments. Any abrupt or adverse changes in government policy, regulatory direction, or administrative actions could affect investor sentiment, delay project approvals, or impact our order inflow and project timelines. In such circumstances, our business, financial condition, results of operations, cash flows and the market price of our Equity Shares could be adversely affected.

68. *If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates can make it challenging for us to accurately estimate or control our costs. If inflation in India rises, it may increase our expenses, and we may not be able to fully or partially pass these increased costs on to our customers. This could negatively impact our business and financial condition. Specifically, if we are unable to reduce our costs or adjust our rates to offset the increase in costs, our business, results of operations, cash flows, and overall financial condition could be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

69. *Any downgrading of India’s debt rating by an independent agency may harm our ability to raise financing.*

Our borrowing costs and access to debt capital markets are closely tied to India’s sovereign credit ratings. As of now, India’s sovereign rating stands at Baa3 with a “negative” outlook (Moody’s), BBB- with a “stable” outlook (S&P), and BBB- with a “stable” outlook (Fitch). Any adverse changes to these credit ratings, especially from international rating agencies, could negatively affect our ability to raise additional financing and could lead to higher interest rates and less favourable commercial terms for any financing, including overseas funding. A downgrade in India’s credit ratings could occur due to changes in government tax or fiscal policies, which are beyond our control. Such a downgrade would likely impair our ability to raise funds on favourable terms, or at all, which in turn could negatively impact our business, financial performance, and the market price of our Equity Shares.

Risks relating to the Equity Shares and the Offer

70. *The Offer Price, market capitalization to total revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing or thereafter.*

The Offer Price of the Equity Shares will be determined through a book-building process. Following the Offer, the market price of the Equity Shares, along with the market capitalization to total revenue multiple and price-to-earnings ratio based on the Offer Price, may experience significant fluctuations due to various factors. These

factors include changes in our operating results, industry-specific market conditions, developments within India, volatility in securities markets in other jurisdictions, changes in financial indicators, fluctuations in revenue or earnings estimates by research publications, and shifts in economic, legal, and regulatory environments. As a result, the price of our Equity Shares may be volatile, and there is a possibility that you may not be able to resell your Equity Shares at or above the Offer Price, or even at all.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. As such, any valuation conducted for the Offer may not be based on a benchmark that reflects our industry peers. The specific financial parameters used to determine the Price Band will be disclosed in the advertisement that will be issued for the publication of the Price Band.

Additionally, the Indian stock markets have recently experienced significant volatility, and the price of our Equity Shares could fluctuate substantially as a result. A decrease in the market price could lead to investors losing part or all of their investment.

71. *We may be subject to surveillance measures, such as the Additional Surveillance Measures (ASM) and the Graded Surveillance Measures (GSM) by the Stock Exchanges which may adversely affect trading price of our Equity Shares.*

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for:

(a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and

(b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

Upon listing, our Equity Shares may be influenced by general market conditions, which could include significant fluctuations in price and trading volume. The price of our Equity Shares may continue to fluctuate post-Offer due to various factors such as volatility in both Indian and global securities markets, our financial performance, the performance of competitors, changes in performance estimates, or other political or economic events. Any of these factors may trigger the criteria set by SEBI and the Stock Exchanges for placing securities under the GSM (Graded Surveillance Measure) or ASM (Additional Surveillance Measure) framework, including factors like net worth, fixed assets, price variations, client concentration, or price movements between the high and low ranges of trading.

If our Equity Shares are subjected to pre-emptive surveillance measures by any of the Stock Exchanges, trading of our Equity Shares may be impacted by additional restrictions. These restrictions could include limitations on trading frequency, such as permitting trades only once a week or month, or capping price movements on the upper side of trading. Such measures may adversely affect the market price of our Equity Shares and could disrupt the development of an active trading market for our Equity Shares.

72. *Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.*

There has been no public market for our Equity Shares prior to the Offer. The purchase price of our Equity Shares in the Offer will be determined by our Company in consultation with the BRLM, pursuant to the Book Building

Process. This price will be based on numerous factors, as described under in “Basis for Offer Price” beginning on page 134 of the Draft Red Herring Prospectus. However, this price may not reflect the market price of our Equity Shares following the completion of the Offer. Investors may not be able to resell their Equity Shares at or above the Offer Price and could incur partial or total loss of their investment.

While our Equity Shares are proposed to be listed on the NSE and BSE post-offer, there can be no assurance that active trading will develop or be sustained. In the absence of active trading, investors may find it challenging to sell their Equity Shares at the quoted price.

The price at which our Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- i. Our financial condition, results of operations and cash flows
- ii. The history and prospects for our business
- iii. An assessment of our management, our past and present operations and the prospects for as well as timing of our future revenues and cost structures
- iv. The valuation of publicly traded companies that are engaged in business activities similar to ours
- v. quarterly variations in our results of operations
- vi. results of operations that vary from the expectations of securities analysts and investors
- vii. results of operations that vary from those of our competitors
- viii. changes in expectations as to our future financial performance, including financial estimates by research analysts and investors
- ix. a change in research analysts’ recommendations
- x. announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments
- xi. announcements of significant claims or proceedings against us
- xii. new laws and government regulations that directly or indirectly affecting our business
- xiii. additions or departures of Key Managerial Personnel
- xiv. changes in the interest rates
- xv. fluctuations in stock market prices and volume
- xvi. general economic conditions

The Indian stock markets have historically witnessed significant price and volume fluctuations, which have impacted the market prices of securities issued by Indian companies. Consequently, investors in our Equity Shares may face a decline in the value of their investment, irrespective of our Company’s financial performance or future prospects.

73. ***Any future issuance of Equity Shares by us or sales of Equity Shares by our Promoter could negatively impact the trading price of our Equity Shares. Additionally, the issuance of Equity Shares by our Company may lead to dilution of the shareholding of our then-existing shareholders.***

As disclosed in “Capital Structure” beginning on page 100 of the Draft Red Herring Prospectus, an aggregate of 20% of our fully diluted post-offer capital held by our Promoter shall be considered as minimum Promoters’ Contribution and locked in for a period of eighteen (18) months and the balance Equity Shares held by the

Promoters following the Offer will be locked-in for six (6) months from the date of Allotment. Except for the customary lock-in on our ability to issue equity or equity-linked securities discussed in “*Capital Structure*” beginning on page 112 of the Draft Red Herring Prospectus, there is no restriction on disposal of Equity Shares by promoter. As such, there can be no assurance that our Company will refrain from issuing additional Equity Shares after the expiration of the lock-in period or that our Promoter will not sell, pledge, or encumber their Equity Shares post-lock-in. Future issuance of Equity Shares or convertible securities, and the subsequent sale of the underlying Equity Shares, could dilute the shareholding of existing Shareholders and negatively impact the trading price of our Equity Shares. Additionally, such securities may be issued at prices lower than the prevailing trading price of our Equity Shares or the Offer Price. Any sale of Equity Shares by the Promoter could further adversely affect the trading price of our Equity Shares.

74. *You will not be able to immediately sell any of the Equity Shares you purchase in this Offer on the Stock Exchanges.*

The Equity Shares will be listed on the Stock Exchange in compliance with applicable Indian laws and practices. Listing permission will only be granted once the Equity Shares offered have been issued, allotted, and all necessary documentation submitted to the Stock Exchanges. Additionally, certain procedural actions must be completed before the listing and trading of Equity Shares can commence. For instance, the credit of Equity Shares to investors' dematerialized ("demat") accounts with their depository participants in India is expected to occur within one (1) Working Day of finalizing the Basis of Allotment with the Designated Stock Exchange. Furthermore, the allotment process and credit of the Equity Shares to applicants' demat accounts may take up to Two (2) Working Days from the Bid/Offer Closing Date. Upon receipt of listing and trading approval from the Stock Exchanges, trading in the Equity Shares is anticipated to begin within three (3) Working Days from the Bid/Offer Closing Date. Any failure or delay in obtaining the approval or otherwise commence trading in Equity Shares would restrict your ability to dispose of your Equity Shares. We cannot assure you that the Equity Shares will be credited to investors' demat accounts or that trading in the Equity Shares will commence in a timely manner (as specified herein) or at all. We could also be required to pay interest at the applicable rates if the allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

75. *You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.*

Under the current Indian Tax Laws and Regulations, Capital Gains arising on the sale of Equity Shares of an Indian Company are generally taxable in India. Any Capital Gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months shall be subject to capital gains tax in India at 12.50% (on the gains in excess of ₹1.25 lakhs) if Securities Transaction Tax (STT) has been paid on both acquisition and transfer of such shares. STT shall be levied on and collected by a domestic stock exchange on which the equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months by an Indian resident, which are sold other than on a recognized stock exchange provided no STT has been paid, will be subject to long term capital gain tax in India. However, any capital gain realized on the sale of listed Equity Shares held for a period of 12 months or less shall be subject to short term capital gains tax in India and are taxed at 20%. Provided Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold on other than on a recognised stock exchange and on which no STT has been paid, shall be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

Taxation of Capital Gains is subject to the provisions of the Income Tax Act, 1961, as amended from time to time, and changes introduced through successive Finance Acts. Any amendment in the tax regime, including an increase in capital gains tax rates, whether through the Finance Act or other legislative measures, could adversely impact the post-tax returns of investors in our equity shares. Given the evolving fiscal and economic policies, there is a possibility that future amendments may result in higher tax rates or reduced exemptions, thereby affecting the overall attractiveness of equity investments. Investors should consider potential changes in tax laws while making investment decisions.

- 76. *QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.***

Under the SEBI ICDR Regulations, Qualified Institutional Buyers (QIBs) and Non-Institutional Bidders are not permitted to withdraw or reduce their Bids (in terms of the quantity of Equity Shares or the Bid Amount) after submitting a Bid. Retail Individual Bidders, however, are allowed to revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Although we are required to complete the Allotment, listing, and commencement of trading of Equity Shares within three (3) Working Days from the Bid/Offer Closing Date, unforeseen events may occur during this period. Such events, including adverse changes in international or national monetary policy, financial, political, or economic conditions, or developments in our business, financial condition, results of operations, or cash flows, may affect the Bidders' decision to invest. Notwithstanding these events, we may proceed with the Allotment, listing, and commencement of trading of our Equity Shares. These developments could restrict the Bidders' ability to sell their Equity Shares allotted pursuant to the Offer or result in a decline in the trading price of our Equity Shares upon listing.

Retail Individual Investors are permitted to revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. While our Company is obligated to complete all formalities related to the listing and commencement of trading of the Equity Shares on the Stock Exchanges where such Equity Shares are proposed to be listed, including the Allotment pursuant to the Offer, within three (3) Working Days from the Bid/Offer Closing Date, certain events may arise during this period. These events, including material adverse changes in international or national monetary policy, financial, political, or economic conditions, or changes in our business, results of operations, or financial condition, may influence the Bidders' decision to invest in the Equity Shares. 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 Offer or cause the trading price of the Equity Shares to decline on listing.

- 77. *Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely affect the market price of the Equity Shares.***

Under the current foreign exchange regulations in India, transfers of shares between non-residents and residents are generally allowed (subject to certain restrictions), provided they adhere to the pricing guidelines and reporting requirements set by the RBI. If the transfer of Equity Shares does not comply with these guidelines or falls under any exceptions, prior approval from the RBI will be necessary. Furthermore, shareholders wishing to convert the Rupee proceeds from the sale of Equity Shares into foreign currency and repatriate it will need to obtain a no-objection/tax clearance certificate from the income tax authority. We cannot guarantee that the required approvals from the RBI or any other Indian government agency will be obtained on favorable terms, or at all.

- 78. *The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and there is no guarantee that an active trading market will develop or be maintained on the Stock Exchanges after the Offer. The listing and quotation of the Equity Shares do not ensure the creation of a market, nor do they guarantee liquidity in the market for the shares. The Offer Price will be determined through the book-building process as per SEBI ICDR Regulations and may not reflect the market price at the time trading begins or at any point thereafter. The market price of the Equity Shares could experience significant fluctuations due to various factors, including changes in our operating performance, market conditions specific to our industry, developments in India, volatility in global securities markets, fluctuations in financial indicators, variations in earnings or revenue projections by analysts, and changes in economic, legal, or regulatory conditions.

79. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.*

The Offer Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager (BRLM) through the Book Building Process. This price will be influenced by various factors, as detailed under the "*Basis for Offer Price*" beginning on page 134 of the Draft Red Herring Prospectus, and may not necessarily reflect the market price of the Equity Shares post-offer. The market price of the Equity Shares may fluctuate significantly after the Offer and could fall below the offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

80. *There is no guarantee that our Equity Shares will be listed on the BSE and 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 Offer and until allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE and NSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all.

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

Under the Companies Act, 2013 a company incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the 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 who have voted on such resolution. However, if the law of the jurisdiction that investors are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, they will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to investors. To the extent that investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares, they may suffer future dilution of their ownership position and their proportional interests in us would be reduced.

SECTION III – INTRODUCTION

SUMMARY OF RESTATED CONSOLIDATED FINANCIAL INFORMATION

The section titled “Summary of Restated Consolidated Financial Information” beginning on page 85 of the Draft Red Herring Prospectus shall stand replaced with the following:

TECHNOCRAFT VENTURES LIMITED			
(Formerly known as M/s TECHNOCRAFT CONSTRUCTION PRIVATE LIMITED)			
<i>(₹ in million)</i>			
RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES			
Particulars	As at		
	31-Mar-25	31-Mar-24	31-Mar-23
<u>ASSETS</u>			
<u>Non-current Assets</u>			
Property, Plant and Equipment	80.99	65.10	39.99
Capital work in progress	8.42	-	9.63
Right of Use Asset	49.21	50.25	51.28
Investment Property	-	-	-
Other Intangible Assets	-	-	-
Investment in Associates	52.24	1.86	1.04
Financial Assets			
(I) Investments	-	-	3.35
(ii) Others	329.56	274.67	334.35
(iii) Loans	-	-	-
(iv) Trade Receivables	-	-	-
Other Non-Current Assets	13.88	6.88	9.96
Deferred tax assets (Net)	5.41	4.08	3.67
Total non-current assets(A)	539.71	402.85	453.27
<u>Current Assets</u>			
Inventories	889.33	557.45	472.55
Financial Assets			
(i) Trade receivables	581.84	1,001.83	509.04
(ii) Cash and cash equivalent	5.13	11.22	27.16
(iii) Bank Balances other than Cash and Cash Equivalents	135.30	75.88	108.10
(iv) Loans	-	-	-
(v) Others	495.18	427.74	180.47
Other current assets	50.88	103.50	83.00
Income tax Asset (Net)	-	-	1.31
Total Current assets(B)	2,157.66	2,177.61	1,381.62
TOTAL ASSETS(A+B)	2,697.37	2,580.46	1,834.89
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
Equity share capital	75.25	75.25	75.25
Other equity	1,124.57	842.53	652.09
Total equity	1,199.83	917.78	727.34
Equity attributable to owners of the Group			
Non - Controlling Interest	-	-	-
Total Equity (A)	1,199.83	917.78	727.34

<u>Liabilities</u>			
Non-current liabilities			
Financial liabilities			
(i) Long Term Borrowings	268.36	272.53	225.80
(ii) Lease Liabilities	-	-	-
(iii) Others	-	47.07	-
Long term provisions	6.11	4.65	3.71
Deferred tax liabilities (Net)	-	-	-
Total non-current liabilities(B)	274.47	324.25	229.51
<u>Current liabilities</u>			
Financial liabilities			
(i) Short Term Borrowings	605.94	528.58	282.24
(ii) Lease Liabilities	-	-	-
(iii) Trade Payables	-		
(i) Total outstanding dues of Micro enterprises & small enterprises	25.28	85.40	57.34
(ii) Total outstanding dues of creditors other than Micro enterprises & small enterprises	99.75	125.23	228.87
(iv) Others	422.40	416.84	276.58
Other current liabilities	43.01	149.63	32.62
Short term provisions	0.64	0.63	0.39
Liabilities for current tax (Net)	26.06	32.13	-
Total current liabilities(C)	1,223.08	1,338.43	878.04
Total liabilities(B+C)	1,497.55	1,662.68	1,107.55
TOTAL EQUITY AND LIABILITIES(A+B+C)	2,697.37	2,580.46	1,834.89

TECHNOCRAFT VENTURES LIMITED			
(Formerly known as M/s TECHNOCRAFT CONSTRUCTION PRIVATE LIMITED)			
<i>(₹ in million)</i>			
RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS			
Particulars	For the Financial Year ended		
	31-Mar-25	31-Mar-24	31-Mar-23
Revenue:			
Revenue from Operations (Net)	2,795.64	2,261.02	1,786.91
Other income	14.40	11.96	18.53
Total revenue (I)	2,810.04	2,272.98	1,805.44
Expenses:			
Cost of Revenue from Operations	2,467.84	1,907.99	1,791.88
Changes in inventories of Work in Progress	(297.34)	(68.04)	(278.60)
Employee benefit expenses	100.35	60.32	39.03
Finance costs	92.39	79.29	81.22
Depreciation and Amortization	18.24	10.36	10.68
Other expenses	48.11	25.28	15.76
Total Expenses (II)	2,429.59	2,015.20	1,659.98
Restated Profit before share of profit of associates and tax (III)=(I)-(II)	380.46	257.78	145.46
Share of Profit/(Loss) of Associates (IV)	5.19	2.82	(0.02)

Restated Profit before tax (V=III+IV)	385.65	260.60	145.44
Tax Expense (VI)			
Current Taxes including current tax expenses related to prior period and Firm Tax	104.94	70.44	37.55
Deferred taxes (Asset)/Liability	(1.33)	(0.38)	(0.16)
Restated Profit for the period/ year (VII)= (V)-(VI)	282.04	190.54	108.06
Other Comprehensive Income (OCI) (VIII)	-	-	-
Items not to be reclassified to profit or loss in subsequent period:	-	-	-
Remeasurement gain/ (loss) on defined benefit plan	0.01	(0.14)	0.24
Income tax relating to items that will not be reclassified to profit or loss	0.00	0.04	(0.06)
Restated Total Comprehensive Income for the period/year, net of tax (IX) (VII+VIII)	282.04	190.44	108.24
Profit for the year attributable to			
Shareholders of the Group	282.04	190.54	108.06
Non-Controlling Interest	-	-	-
Other Comprehensive income for the year attributable to			
Shareholders of the Group	0.01	(0.11)	0.18
Non-Controlling Interest	-	-	-
Restated Earnings per Equity Share (Face Value: Rupees 10)			
- Basic	9.37	6.33	3.59
- Diluted	9.37	6.33	3.59

TECHNOCRAFT VENTURES LIMITED			
(Formerly known as M/s TECHNOCRAFT CONSTRUCTION PRIVATE LIMITED)			
<i>(₹ in million)</i>			
RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS			
Particulars	For the Financial Year ended		
	31-Mar-25	31-Mar-24	31-Mar-23
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/ (Loss) before Exceptional items and Tax	385.65	260.60	145.44
Non-cash adjustments:			
Depreciation and amortisation expenses	18.24	10.36	10.68
Interest Expense	92.39	79.29	81.22
Loss/ (Gain) on Sale of Property, Plant and Equipment	-	-	(3.11)
Interest Received	(14.40)	(11.66)	(15.42)
Share of (Profit) /Loss from Associates	(5.19)	(2.82)	0.02
Provision for Expected Credit Loss	0.16	0.44	0.46
Remeasurement gain/ (loss) on defined benefit plan	0.01	(0.14)	0.24
Operating profit before working capital changes	476.84	336.07	219.54
Changes in working capital:			
(Increase)/ Decrease in Inventories	(331.88)	(84.91)	(297.15)
(Increase)/Decrease in Trade Receivables - Current	419.83	(493.23)	276.60
(Increase)/Decrease in Other Financial Assets- Non-Current other than Bank Deposits	(69.52)	65.83	(268.86)
(Increase)/Decrease in Other Financial Assets- Current other than Bank Deposits	(58.15)	(231.63)	239.67
(Increase)/Decrease in Other Non-Current Assets	(7.00)	3.08	2.10
(Increase)/Decrease in Other Current Assets	52.62	(20.50)	(57.14)

Increase/(Decrease) in other financial liabilities- non-current	(47.07)	47.07	(86.24)
Increase/(Decrease) in other financial liabilities Current	5.56	140.26	76.12
Increase/(Decrease) in Short Term Borrowings	77.36	246.33	(93.05)
Increase/(Decrease) in other current liabilities	(106.62)	117.02	(1.60)
Increase/(Decrease) in Trade Payables	(85.60)	(75.58)	125.14
Increase/(Decrease) in Provisions	1.48	1.17	0.55
Cash generated from operations	327.85	50.99	135.66
Income tax (Refund)/ paid during the year	111.01	37.00	35.30
Net cash from operating activities (A)	216.84	13.99	100.35
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment and Capital Work in Progress	(41.51)	(24.81)	(13.23)
Sale of Property, Plant and Equipment	-	-	3.72
(Increase)/ Decrease in Investment	-	3.35	-
Investment in Associates	(45.18)	2.00	(0.05)
Interest Received	14.40	11.66	15.42
Movement in bank balances other than cash and cash equivalent including all Bank Deposits	(54.09)	10.43	56.16
Net cash from investing activities (B)	(126.38)	2.63	62.03
C. CASH FLOW FROM FINANCING ACTIVITIES			
Interest paid on borrowings	(92.39)	(79.29)	(81.22)
Proceeds/(Repayment) of Long-term Borrowings	(4.17)	46.73	(59.43)
Net cash from financing activities (C)	(96.55)	(32.56)	(140.65)
Net increase in cash and cash equivalents (A+B+C)	(6.09)	(15.94)	21.72
Cash and cash equivalents at the beginning of the year	11.22	27.16	5.43
Cash and cash equivalents at the end of the year	5.13	11.22	27.16
Net increase in cash and cash equivalents	(6.09)	(15.94)	21.72

SECTION IV – ABOUT THE COMPANY

OUR BUSINESS

The section titled “Our Business” beginning on page 228 of the Draft Red Herring Prospectus shall be updated as follows:

The sub-section titled “Our Order Book” beginning on page 232 of the Draft Red Herring Prospectus shall be updated as follows:

OUR ORDER BOOK

Our Order Book as on a particular date consists of project value of unexecuted projects or uncompleted portions of our Ongoing Projects, i.e., the total project value of ongoing projects work billed till June 30, 2025. For further details kindly refer, “Risk Factor No. 12 - Our Order Book may not be a reliable indicator of our future revenue or profitability, and any delay, modification, or cancellation of projects may materially affect our financial performance, liquidity, and cash flows.” beginning on page 49 of the Draft Red Herring Prospectus.

Our Order Book for Ongoing Projects is ₹ 6,858.34 million (including O&M to be executed after completion of respective projects) as on June 30, 2025.

Further, as on June 30, 2025, we are executing 4 projects with the unexpected value of ₹ 3,838.64 million under the joint ventures. The following table sets forth the break-up of our Order Book for all the Ongoing Projects along with funding pattern:

Sewerage Works:

(₹ in million except otherwise stated)

Sr. No.	Name of work	Client	Stipulated Date of Commencement	Estimated Date of Completion	Contract Value (Excluding GST)	Construction Work including Provisional Sum, if any	Operation & Maintenance	Work Completed up to 30.06.2025	Balance Work Pending as on 30.06.2025	% of Technologies Limited (TVL) in the Project	Scheme Funding Pattern
1.	Providing, Laying, Jointing, Testing & Commissioning of Sewerage System and All ancillary	Commissioner, Nagar Nigam, Kota (North), (Rajasthan)	September 30, 2023	September 30, 2025 O&M: 10 years	2,486.4	2,315.8	170.6	1,112.0	1,374.44	75% share of TVL with EMS	AMRUT 2.0 50% Central Govt. 30% State

	works along with Design, Construction, Supply, installation, testing and Commissioning (Civil, Mechanical, Electrical, instrumentation & other necessary works) of Sewage Pumping Station/MWPS (if any), Sewage Treatment Plant based on SBR Process with provision for treated waste water reuse including 1 year defect liability with 10 years O&M for towns under package AMRUT-2.0/RAJ/SEWERA GE-21 a) Kota North : Sewer System with 5 Nos. SPS & Up gradation of existing 20 MLD ASP STP			operation & maintenance work after commissioning of created assets.						Limited JV partner having 25% shares (100% work is being executing by TVL)	Govt. 20% ULB
2.	Providing, Laying, Jointing, Testing & Commissioning of	Commissioner, Nagar Nigam,	September 29, 2023	September 29, 2025	2,248.0	2,204.6	43.4	791.5	1,456.5	75% share of TVL	AMRUT 2.0 50% Central

	Sewerage System and All ancillary works along with Design, Construction, Supply, installation, testing and Commissioning (Civil, Mechanical, Electrical, instrumentation & other necessary works) of Sewage Pumping Station/MWPS (in any), Sewage Treatment Plant based on SBR Process with Provision for treated waste water reuse including 1 Year defect liability with 5 years O&M for towns under package AMRUT-2.0/RAJ/SEWERA GE-21 a) Bikaner: Sewer System with 1 STP	Bikaner (Rajasthan)		O&M: 5 years operation & maintenance work after defect liability period.							with EMS Limited JV partner having 25% shares (100% work is being executed by TVL)	Govt. 30% State Govt. 20% ULB
3.	Providing, Laying, Jointing, Testing & Commissioning of Sewerage System	Commissioner, Municipal Council, Kotputli,	August 13, 2023	August 13, 2025. O&M: 10	1,558.6	1,409.0	149.7	798.7	759.90	75% share of TVL with	Budget Ghoshna 100% State	

	and All ancillary works along with Design, Construction, Supply, installation, testing and Commissioning (Civil, Mechanical, Electrical, instrumentation & other necessary works) of Sewage Pumping Station/MWPS (in any), Sewage Treatment Plant based on SBR Process with Provision for treated waste water reuse including 1 Year defect liability with 10 years O&M for Kotputli town. Kotputli Town:- 10 MLD STP/SPS and Sewerage Networks	(Rajathan)		years operation & maintenance work after commissioning of created assets.						VVIP Infratech Ltd (Formerly known as Vibhor Vaibhav Infra Pvt Ltd JV partner having 25% shares (100% work is being executing by TVL)	Govt.
4.	Survey, Investigation, Design, Construction, Testing & Commissioning of sewerage works in	Executive Engineer, Construction Division, U.P. Jal Nigam, Jaunpur	October 04, 2019	December 31, 2023 <i>(final extension of both works is yet to be</i>	2,086.00	2,086.00	-	1,804.7	281.3	100% TVL share	AMRUT 50% Central Govt. 30% State Govt. 20% ULB

	Jaunpur NPP under “AMRUT” Scheme.	(Uttar Pradesh)		<i>received; the correspondences are under process with the department)</i>							
5.	Cleaning of 600 mm 225 m and 800 mm diameter 358 m main trunk sewer lines with super shaker machine from Niti Khand-1 in front of Cambridge School to Mangal Chowk via Gyan Khand-04 Kala Pathar in Indirapuram area under Vasundhara Zone	Executive Engineer (Water), Ghaziabad Municipal Corporation	Bond yet to be executed	Bond yet to be executed	0.8	0.8	-	-	0.8	100% TVL share	100% Ghaziabad Municipal Corporation
6.	Cleaning of 800 mm diameter 570 m main trunk sewer lines from Rai Diagnostic Center (Friends Avenue) to Bharat Ram Global School up to Niti Khand-02 in Indirapuram area under Vasundhara Zone by super	Executive Engineer (Water), Ghaziabad Municipal Corporation	Bond yet to be executed	Bond yet to be executed	0.8	0.8	-	-	0.8	100% TVL share	100% Ghaziabad Municipal Corporation

	shaker machine										
7.	Cleaning of 800 mm diameter 455 m main trunk sewer lines from Rail Vihar 48 MLD to Balaji Sweets Chauraha Niti Khand-03 in Indirapuram area under Vasundhara Zone by super shaker machine	Executive Engineer (Water), Ghaziabad Municipal Corporation	Bond yet to be executed	Bond yet to be executed	0.7	0.7	-	-	0.7	100% TVL share	100% Ghaziabad Municipal Corporation
8.	Cleaning of 800 mm diameter 510 m main trunk sewer lines from Bank of India branch Indirapuram to in front of Cambridge School in Indirapuram area under Vasundhara Zone by super shaker machine	Executive Engineer (Water), Ghaziabad Municipal Corporation	Bond yet to be executed	Bond yet to be executed	0.7	0.7	-	-	0.7	100% TVL share	100% Ghaziabad Municipal Corporation
9.	Providing & Laying 300 mm 700 mm dia. Internal and peripheral sewer line in Sangam Vihar group of colonies (Ph-I) under Okhla	Executive Engineer (C) DR-VIII, DJB, Yamuna Vihar, Delhi.	LOA & Bond yet to be executed	LOA & Bond yet to be executed	313.1	313.1	-	-	313.1	100% TVL share	100% State Government

	drainage zone/catchment area in Delhi. (Balance Work).										
10.	Providing chamber for House Sewer Connection for Swaroop Nagar GOC falling under Coronation Pillar Catchment area in Delhi.	Executive Engineer (C) DR.III, Delhi Jal Board, Kanhiya Nagar, Near Metro Station, Delhi-110035.	LOA & Bond yet to be executed	LOA & Bond yet to be executed	248.9	248.9	-	-	248.9	100% TVL share	100% State Government
11.	Survey, Soil Investigation, Design, Supply, Laying, Construction and Commissioning of STP of 40 MLD Tigriya Badshah and Sewer Line of 64 km and 1 no. IPS of 30 MLD and Pumping Main including House Service Connection as per scope of work with 10 year under AMRUT scheme.	Municipal Corporation, Indore	LOA & Bond yet to be executed	LOA & Bond yet to be executed	1,229.4	1,229.4	-	-	1,229.4	100% TVL share	AMRUT 2.0 50% Central Govt. 30% State Govt. 20% ULB
	Total				10,173.4	9,809.80	363.70	4,506.90	5,666.54		

**The Operational KPIs have been certified by Y.P.& Associates, Chartered Engineer vide certificate dated August 05, 2025, bearing certificate no. 630B/ONGOING*

PROJECTS/TECHNOCRAFT.

Water Supply Works:

SCHEME FUNDING PATTERN – 100% State Government

(₹ in million except otherwise stated)

Sr. No.	Name of work	Client	Stipulated Date of Commencement	Estimated Date of Completion	Contract Value (Excluding GST)	Construction Work including Provisional Sum, if any	Operation & Maintenance	Work Completed up to 30.06.2025	Balance Work Pending as on 30.06.2025	% of Techno Ventures Limited (TVL) in the Project
1.	Replacement of Transmission mains (Shahdara, G.K. & Jal Vihar main) emanating from Bhagirathi WTP (Joint Venture) Share@26%	TESPL LRS TVL JV, Green Park Extension, New Delhi	January 16, 2023	July 16, 2025	599.2	599.2	-	351.4	247.8	26% share of TVL with two other JV partners, namely - L. R. Sharma & Co having 48% share and Trenchless Engineering Services Pvt Ltd having 26% share (26% work is being executing by TVL)
Total					599.2	599.2	-	351.4	247.8	

*The Operational KPIs have been certified by Y.P.& Associates, Chartered Engineer vide certificate dated August 05, 2025, bearing certificate no. 630B/ONGOING PROJECTS/TECHNOCRAFT.

Road Works:

SCHEME FUNDING PATTERN – 100% State Government

(₹ in million except otherwise stated)

Sr. No.	Name of work	Client	Stipulated Date of Commencement	Estimated Date of Completion	Contract Value (Excluding GST)	Construction Work including Provisional Sum, if any	Operation & Maintenance	Work Completed up to 30.06.2025	Balance Work Pending as on 30.06.2025	% of Techno Ventures Limited (TVL) in the Project
1.	Widening and strengthening work in two lanes with paved shoulders from ch. 29.793 to 72.793 (up to the border of Uttarakhand) of Daulatpur-Nanouta-Mangalore Road (State Road No. 167) in Saharanpur district. (Length 40.420 km) Contract Bond No. 248/SE-SRE(S.Pur)/2024-25 dated 12/03/2025 LOA: 1049/163 C-SRE/2025 dated 04/02/2025	Superintending Engineer, Saharanpur Circle, PWD, Saharanpur (Uttar Pradesh)-247001	March 12, 2025	June 11, 2026	665.8	665.8	-	130.5	535.3	100% TVL share
Total					665.8	665.8	-	130.5	535.3	

*The Operational KPIs have been certified by Y.P.& Associates, Chartered Engineer vide certificate dated August 05, 2025, bearing certificate no. 630B/ONGOING PROJECTS/TECHNOCRAFT.

Electrical Works:
100% Private

(₹ in million except otherwise stated)

Sr. No.	Name of work	Client	Stipulated Date of Commencement	Estimated Date of Completion	Contract Value (Excluding GST)	Construction Work including Provisional Sum, if any	Operation & Maintenance	Work Completed up to 30.06.2025	Balance Work Pending as on 30.06.2025	% of Techno Ventures Limited (TVL) in the Project
1.	Development of Distribution Infrastructure- Loss Reduction Works at EDC Roorkee Circle of Uttarakhand under Revamped Reforms-Based and Results-Linked, Distribution Sector Scheme against Specification no CCP-I/41 12023-2024 Package-F RDSS - EDC Roorkee.	VVIP Infratech Limited, Dehradun, Uttarakhand	February 22, 2025	July 10, 2026	417.4	417.4	-	210.3	207.1	100% TVL share
Total					417.4	417.4	-	210.3	207.1	

*The Operational KPIs have been certified by Y.P.& Associates, Chartered Engineer vide certificate dated August 05, 2025, bearing certificate no. 630B/ONGOING PROJECTS/TECHNOCRAFT.

Our Order Book for Operations and Maintenance (O&M) works is ₹ 201.60 million as on June 30, 2025. The following table sets forth the break-up of our Order Book for O&M projects (100% TVL share in the below projects):

(₹ in million except otherwise stated)

Sr. No.	Name of work	Client	Stipulated Date of Commencement	Estimated Date of Completion	Contract Value (Excluding GST)	Operation & Maintenance	Work Completed up to 30.06.2025	Balance Work Pending as on 30.06.2025	Work Category	Scheme Funding Pattern
1.	Operation and Maintenance work for 5 years of 2/10 MLD STP at Sadopur Badalpur in Greater Noida. (Tender ID: 2023_GNIDA_801284_27)	Senior Manager, Greater Noida Industrial Development Authority, Greater Noida, Gautam Budha Nagar (Uttar Pradesh)	September 29, 2023	September 28, 2028	40.80	40.80	15.50	25.30	STP O&M	100% Greater Noida Authority
2.	Design and Construction of Intercepting Sewer on both banks of Ayad River and Lateral Sewer Network in Ward No. 34, 35 & 38 along with Allied Works including Operation & Maintenance services of the created system for 10 years at Udaipur.	Executive Engineer, Rajasthan Urban Infrastructure Development Project, Investment Project Implementation Unit, Udaipur (Rajasthan)	January 01, 2023	December 31, 2032	95.20	95.20	25.10	70.10	Sewer O&M	100% ADB Funded

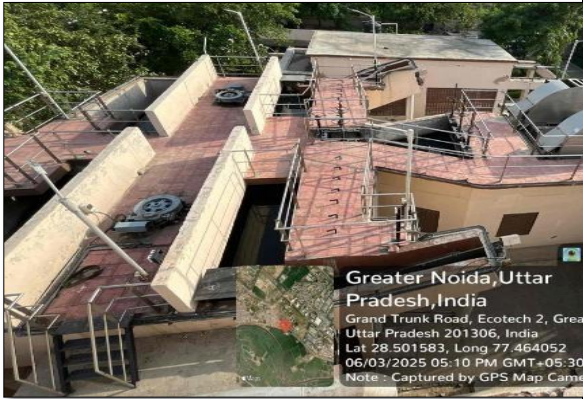
3.	Operation and Maintenance of 15MLD STP (for 60 months) at Sector Ecotech-II in Greater Noida (Tender ID_2024_Gnida_943975_31)	Greater Noida Industrial Development Authority, Uttar Pradesh.	February 11, 2025	February 10, 2030	47.60	47.60	1.40	46.20	STP O&M	100% Greater Noida Authority
4.	Operation and Maintenance of 20MLD STP (for 60 months) at Sector Ecotech-II in Greater Noida (Tender ID_2024_Gnida_943975_22)	Greater Noida Industrial Development Authority, Uttar Pradesh.	February 11, 2025	February 10, 2030	57.50	57.50	2.60	54.90	STP O&M	100% Greater Noida Authority
5.	Construction of T07- Kasoli to Baheri (Length 12.400 Km) of Package No UP 5574 and routine maintenance for five years after completion of construction.	Superintending Engineer, Rural Engineering Department, Saharanpur Circle, Saharanpur (Uttar Pradesh)	August 18, 2022	May 15, 2027	07.60	07.60	2.50	05.10	Road Work O&M	100% State Govt.
	Total				248.70	248.70	47.10	201.60	-	

**The Operational KPIs have been certified by Y.P.& Associates, Chartered Engineer vide certificate dated August 05, 2025, bearing certificate no. 630B/ONGOING PROJECTS/TECHNOCRAFT.*

The sub-section titled “Some photos of our Projects” beginning on page 253 of the Draft Red Herring Prospectus shall be replaced with the following:

Some photos of our projects:

 Jhabiran, Uttar Pradesh Mdr 2w, Jhabiran, Uttar Pradesh Lat 29.710731° Long 77.511111° 19/06/25 10:34 AM GMT +05:30	 Saharanpur, Uttar Pradesh Pm37+2cm, Mdr 163w, Uttar Pradesh Saharanpur, Uttar Pradesh 247554 Lat 29.703052° Long 77.663645° 18/06/2025 07:09 PM GMT +05:30
<u>PWD Work (Road Work)</u> <u>Name of Work:</u> Widening and strengthening work in two lanes with paved shoulders from ch. 29.793 to 72.793 (up to the border of Uttarakhand) of Daulatpur-Nanouta-Mangalore Road (State Road No. 167) in Saharanpur district. (Length 40.420 km) <u>Client:</u> Superintending Engineer, Saharanpur Circle, PWD, Saharanpur (U.P.) - 247001	<u>PWD Work (Road Work)</u> <u>Name of Work:</u> Widening and strengthening work in two lanes with paved shoulders from ch. 29.793 to 72.793 (up to the border of Uttarakhand) of Daulatpur-Nanouta-Mangalore Road (State Road No. 167) in Saharanpur district. (Length 40.420 km) <u>Client:</u> Superintending Engineer, Saharanpur Circle, PWD, Saharanpur (U.P.) - 247001
 Signature heart & multispeciality hospital Block C-4, Yamuna Vihar, Delhi, 110067 Latitude 28.70177305° Longitude 77.28221111° Local 04:43:25 PM Altitude 211m GMT 11:13:25 AM Tuesday, 03 June 2025	 477a, Service Ln, near Domino's and Bank of India Block C-4, Yamuna Vihar, New Delhi, Delhi 110067 Latitude 28.7017879° Longitude 77.2821111° Local 04:47:39 PM Altitude 211m GMT 11:17:39 AM Tuesday, 03 June 2025
<u>Delhi Jal Board (Sewerage Work)</u> <u>Name of Work:</u> Providing & Laying 300 mm 700 mm dia. Internal and peripheral sewer line in Sangam Vihar group of colonies (Ph-I) under Okhla drainage zone/catchment	<u>Delhi Jal Board (Sewerage Work)</u> <u>Name of Work:</u> Providing & Laying 300 mm 700 mm dia. Internal and peripheral sewer line in Sangam Vihar group of colonies (Ph-I) under Okhla drainage zone/catchment

area in Delhi. (Balance Work). <u>Client:</u> Executive Engineer (C) DR-VIII, DJB, Yamuna Vihar, Delhi	area in Delhi. (Balance Work). <u>Client:</u> Executive Engineer (C) DR-VIII, DJB, Yamuna Vihar, Delhi
 STP/Sewerage Work <u>Name of Work:</u> Operation and Maintenance of 15MLD STP (for 60 months) at Sector Ecotech-II in Greater Noida (Tender ID_2024_Gnida_943975_31) <u>Client:</u> Greater Noida Industrial Development Authority, Uttar Pradesh	 STP/Sewerage Work <u>Name of Work:</u> Operation and Maintenance of 15MLD STP (for 60 months) at Sector Ecotech-II in Greater Noida (Tender ID_2024_Gnida_943975_31) <u>Client:</u> Greater Noida Industrial Development Authority, Uttar Pradesh
 STP/Sewerage Work <u>Name of Work:</u> Operation & Maintenance for 5 years of 20 MLD capacity Sewage Treatment Plant at Ecotech – III, in Greater Noida (U.P) <u>Client:</u> Greater Noida Industrial Development Authority, Uttar Pradesh	 STP/Sewerage Work <u>Name of Work:</u> Operation & Maintenance for 5 years of 20 MLD capacity Sewage Treatment Plant at Ecotech – III, in Greater Noida (U.P) <u>Client:</u> Greater Noida Industrial Development Authority, Uttar Pradesh



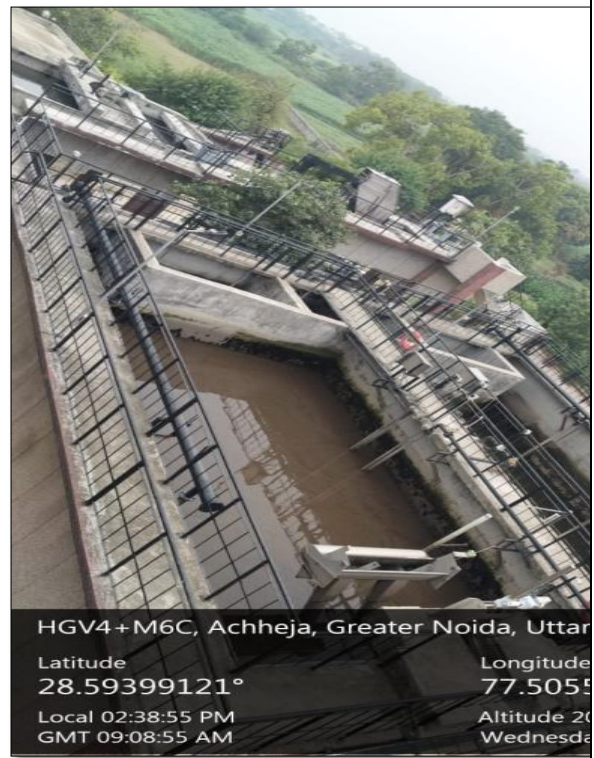
STP/Sewerage Work

Name of Work:

Operation & Maintenance work for 5 years of 2/10 MLD STP at Sadopur Badalpur, in Greater Noida (U.P)

Client:

Senior Manager, Greater Noida Industrial Development Authority, Uttar Pradesh



STP/Sewerage Work

Name of Work:

Operation & Maintenance work for 5 years of 2/10 MLD STP at Sadopur Badalpur, in Greater Noida (U.P)

Client:

Senior Manager, Greater Noida Industrial Development Authority, Uttar Pradesh



Sewerage Work

Name of Work:

Survey, investigation, design, construction, testing &



Sewerage Work

Name of Work:

Survey, investigation, design, construction, testing &

commissioning of sewerage-works in Jaunpur (NPP)" under "AMRUT" Scheme

Client:

Executive Engineer, Construction Division, U.P. Jal Nigam, Jaunpur (Uttar Pradesh)



Sewerage Work

Name of Work:

Replacement of old and damaged existing sewerage system along with laying of new sewerage system and all ancillary works along with Design, construction, supply, installation, testing and commissioning (Civil, Mechanical, electrical, instrumentation & other necessary works) of Sewage Pumping Station/MWP (if any), Sewage Treatment Plant based on SBR Process with provision for treated waste water reuse including 1 year defect liability and 5 years O&M for towns under package AMRUT-2.0/RAJ/SEWERAGE- 13.

a) Bikaner: Sewer System with 1 STP

Client:

Commissioner, Nagar Nigam, Bikaner (Raj.)



Electrical Work

Name of Work:

commissioning of sewerage-works in Jaunpur (NPP)" under "AMRUT" Scheme

Client:

Executive Engineer, Construction Division, U.P. Jal Nigam, Jaunpur (Uttar Pradesh)



Sewerage Work

Name of Work:

Providing, laying, jointing, testing and commissioning of sewer system and all ancillary works along with Design, construction, supply, installation, testing and commissioning (Civil, Electrical, Mechanical and Instrumentation and other necessary works) of SPS, MPS and 10 MLD capacity STP based on SBR process with provision of 1 year defect liability and there after 10 years O&M for Kotputli town, Jaipur District, Rajasthan

Client:

Commissioner, Municipal Council, Kotputli (Raj.)



Electrical Work

Name of Work:

Development of Distribution infrastructure-Loss Reduction Works at EDC Roorkee Circle of Uttarakhand <u>Client:</u> VVIP Infratech Limited, Dehradun, Uttarakhand	Development of Distribution infrastructure-Loss Reduction Works at EDC Roorkee Circle of Uttarakhand <u>Client:</u> VVIP Infratech Limited, Dehradun, Uttarakhand
 <u>Sewerage Work</u> <u>Name of Work:</u> Providing, laying, jointing, testing and commissioning of Sewerage System and all ancillary works along with Design, construction, supply, installation, testing and commissioning (Civil, Mechanical, electrical, instrumentation & other necessary works) of Sewage Pumping Stations, Upgradation of effluent of existing Sewage Treatment Plant with provision for treated waste water reuse including 1 year defect liability with 10 years O&M for towns under package AMRUT-2.0/RAJ/SEWERAGE-21, Kota North: Sewer System with 5 Nos. SPS & Upgradation of existing 20 MLD ASP STP <u>Client:</u> Commissioner, Nagar Nigam, Kota-North (Rajasthan)	 <u>Sewerage Work</u> <u>Name of Work:</u> Design and Construction of Intercepting Sewer on banks of Ayad River and Lateral Sewer Network in Ward No. 34, 35 & 38 along with Allied Works including Operation & Maintenance services of the created system for 10 years at Udaipur. (under package no.: RUSDP/Program Loan/UDP/01) <u>Client:</u> Executive Engineer, Rajasthan Urban Infrastructure Development Project, Investment Project Implementation Unit, Udaipur (Rajasthan)

The sub-section titled "Customers" beginning on page 272 of the Draft Red Herring Prospectus shall be replaced with the following:

CUSTOMERS

During the preceding 3 financial years, Company has generated majority of revenue through government tenders only.

The table below sets forth our revenue from Government and Government authorities and from Private clients for the financial years indicated:

(₹ in million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from Government	2,274.52	1,741.50	1,784.75
% of Revenue from Operations	81.36	77.02	99.88
Revenue from Private Sector	521.12	519.52	2.16
% of Revenue from Operations	18.64	22.98	0.12
Total	2,795.64	2,261.02	1,786.91

As certified by Rishi Kapoor & Company, Chartered Accountants pursuant to their certificate dated August 04, 2025 vide UDIN 25455362BMGIMF4921.

The details of repeated customers in last 3 financial years are as mentioned below:-

FY 2025:-

Particulars	Data
Total Number of Customer (PAN Wise)	14
Repeated Number of Customer	10
% Repeated Number of Customer	71%

FY 2024:-

Particulars	Data
Total Number of Customer (PAN Wise)	11
Repeated Number of Customer	4
% Repeated Number of Customer	36%

FY 2023:-

Particulars	Data
Total Number of Customer (PAN Wise)	6
Repeated Number of Customer	5
% Repeated Number of Customer	83%

The sub-section titled “Human Resources” beginning on page 276 of the Draft Red Herring Prospectus shall be read with the following additional disclosure:

HUMAN RESOURCES

Contracted workforce deployed through sub-contractors:

In addition to our permanent employees, we execute a substantial portion of site works through third-party sub-contractors who deploy their own workmen (contract labour) at our project sites. The number of such workmen fluctuates based on project pipeline, stage of execution and geography. Under our sub-contractor agreements, the contractors remain the employers of such workmen and are responsible for compliance with applicable labour and safety laws (including timely wage payments and statutory contributions, as applicable). We operate on-site induction and safety protocols, require the use of personal protective equipment, and monitor our vendors’ compliance through documentation and site audits. Where applicable, we adhere to the requirements under relevant labour/safety legislation as disclosed in “Key Industry Regulations and Policies” on beginning page 287

of the Draft Red Herring Prospectus.

Details of Employees' Provident Fund and Employees State Insurance Corporation are as mentioned below:

(₹ in million)

Financial Year	Employees State Insurance Corporation		Employees' Provident Fund	
	No. of Employees	ESIC Amount	No. of Employees	EPF Amount
Financial Year 2022-23	04	0.78	19	9.97
Financial Year 2023-24	06	0.47	24	11.79
Financial Year 2024-25	36	0.41	64	19.19

The sub-section titled “Insurance” beginning on page 284 of the Draft Red Herring Prospectus shall be read with the following additional disclosure:

INSURANCE

Adequacy of Insurance

As of June 30, 2025, based on management’s assessment of our project portfolio, contractual requirements and risk exposures, we believe that the insurance policies disclosed in the table above, including our policies covering construction risks, employees’ compensation, fire and special perils, and erection-related risks, are adequate and commensurate with the size and nature of our operations and are in line with the minimum insurance stipulations typically prescribed in our contracts/tender documents. We review coverage limits, deductibles, endorsements and renewals periodically and obtain project-specific endorsements where required. However, insurance may not cover all losses and recoveries are subject to policy terms, exclusions, deductibles and insurer claims processes.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The sub-section titled “Material Documents” beginning on page 562 of the Draft Red Herring prospectus shall be read with following additional disclosure:

MATERIAL DOCUMENTS

Search report dated August 08, 2025, issued by R & D Company Secretaries, Practicing Company Secretary (vide UDIN F007775G000965149), setting out details of filings, non-traceable records, delayed and erroneous filings with the Registrar of Companies.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum cum Corrigendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum cum Corrigendum are true and correct.

SIGNED BY THE MANAGING DIRECTOR OF OUR COMPANY

Sd/-

Sanjay Tyagi

Designation: Managing Director

Place: Noida, Uttar Pradesh

Date: October 15, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum cum Corrigendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum cum Corrigendum are true and correct.

SIGNED BY THE WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

Kartikey Tyagi

Designation: Whole-Time Director and Chief Financial Officer

Place: Noida, Uttar Pradesh

Date: October 15, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum cum Corrigendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum cum Corrigendum are true and correct.

SIGNED BY THE EXECUTIVE DIRECTOR OF OUR COMPANY

Sd/-

Rekha Tyagi

Designation: Executive Director

Place: Noida, Uttar Pradesh

Date: October 15, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum cum Corrigendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum cum Corrigendum are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sd/-

Mukesh Kumar Garg

Designation: Independent Director

Place: Noida, Uttar Pradesh

Date: October 15, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum cum Corrigendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum cum Corrigendum are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sd/-

Bhawna Saunkhiya

Designation: Independent Director

Place: Ghaziabad, Uttar Pradesh

Date: October 15, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum cum Corrigendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum cum Corrigendum are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sd/-

Shruti Gupta

Designation: Independent Director

Place: Ludhiana, Punjab

Date: October 15, 2025

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum cum Corrigendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum cum Corrigendum are true and correct.

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

Saket Surolia

Designation: Company Secretary & Compliance Officer

Place: Noida, Uttar Pradesh

Date: October 15, 2025

DECLARATION

We, Kartikey Constructions (Partnership Firm), hereby confirm that all statements, disclosures, and undertakings specifically made or confirmed by us in this Addendum cum Corrigendum about or in relation to ourselves as a Promoter Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures, or undertakings, including any of the statements, disclosures, or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Addendum cum Corrigendum.

FOR KARTIKEY CONSTRUCTIONS (PARTNERSHIP FIRM)

Sd/-

Authorised Signatory

Sanjay Tyagi

Place: Noida, Uttar Pradesh

Date: October 15, 2025