



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

सहायक प्रबंधक/ Assistant Manager

RAC-निर्गम एवं सूचीबद्धता प्रभाग-1/RAC-Division of Issues and Listing-1

निगम वित्त विभाग/Corporation Finance Department

दूरभाष सं./Phone: +91 22 2644 9955

ई-मेल/Email: poonam@sebi.gov.in

August 30, 2024

SEBI/HO/CFD/RAC-DIL1/P/OW/2024/27768/1

Inga Ventures Private Limited

1229, Hubtown Solaris,
N.S. Phadke Marg, Opp. Telli Galli,
Andheri (East),
Mumbai – 400 069
Maharashtra, India

Kind Attention: Ms. Kavita Shah

Madam,

विषय /Sub: Transrail Lighting Limited का प्रस्तावित आईपीओ /Proposed IPO of Transrail Lighting Limited

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

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

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

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

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

It is to be distinctly understood that submission of offer document to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the issue is proposed to be made or for the correctness of the statements made or opinions expressed in the offer document. The LMs have certified that the disclosures made in the offer document are generally adequate and are in conformity with SEBI regulations for disclosures and investor protection in force for the time being. The LMs are advised to ensure the same with respect to SEBI (ICDR) Regulations, 2018. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

3. यह भी पूरी तरह से स्पष्ट किया जाता है कि यद्यपि इस बात की जिम्मेदारी मुख्य रूप से निर्गमकर्ता (इश्यूअर) कंपनी की होती है कि प्रस्ताव दस्तावेज में समस्त जरूरी जानकारी प्रकट की जाए और जो सही और पर्याप्त हो, फिर भी अग्रणी प्रबंधकों (लीड मैनेजर्स) से अपेक्षित है कि वे यह सुनिश्चित करने के लिए पूरी तत्परता (ड्यू डिलिजेंस) बरतें कि कंपनी अपनी जिम्मेदारियाँ सही ढंग से निभाए, और इसी उद्देश्य से अग्रणी प्रबंधकों ने भारतीय प्रतिभूति और विनियम बोर्ड (मर्चेन्ट बैंककार) विनियम, 1992 [सेबी (मर्चेन्ट बैंकर्स) रेग्यूलेशन्स, 1992] के अनुसार सेबी के पास पूरी तत्परता बरते

जाने के संबंध में तारीख March 8, 2024 का प्रमाणपत्र (ड्यू डिलिजेंस सर्टिफिकेट) प्रस्तुत किया है ।

It should also be clearly understood that while the Issuer Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the offer document, the LMs are expected to exercise Due Diligence to ensure that the Company discharges its responsibility adequately in this behalf and towards this purpose, the LMs have furnished to SEBI a Due Diligence Certificate dated March 8, 2024, in accordance with SEBI (Merchant Bankers) Regulations, 1992.

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

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

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

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

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

The LMs are advised to ensure that a detailed calculation of filing fees in relation to the captioned issue in terms of regulation 25(1) and Schedule III of the SEBI (ICDR) Regulations, 2018 is submitted to SEBI within seven days of filing the Prospectus with ROC/ within seven days of filing the Letter of Offer with the stock exchange, as the case may be, along with details of filing fees paid till date.

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



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

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

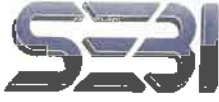
If filing fees paid by you are more than the actual fees required to be paid, you are advised to inform SEBI about the amount to be refunded, along with detailed calculation of amount refundable and name of the person in whose favour the cheque may be issued by SEBI.

7. प्रस्तावित निर्गम (इश्यू) इस अभिमत पत्र के जारी होने की तारीख से 12 महीनों के भीतर पैसा लगाने (अभिदान करने / सब्सक्रिप्शन) के लिए खोला जा सकता है।
The proposed issue can open for subscription within a period of 12 months from the date of issuance of this observation letter.
8. आपसे अनुरोध है कि इस पत्र की प्राप्ति के रउत्त अपना भीतर के दिवस 15 प्रस्तुत करें।
You are requested to submit your response within 15 days of the receipt of this letter.

स्थान /Place: मुंबई /Mumbai

Poonam
30/8/24

Poonam
सहायक प्रबंधक
Assistant Manager



Annexure I

OBSERVATIONS

1. Please refer to our letter/ email dated April 5, 2024, May 17, 2024 and June 14, 2024 and your reply vide letters/ email dated April 29, 2024, June 12, 2024, June 13, 2024, June 18, 2024, August 12, 2024 and all other correspondences exchanged. In the above regard, LM is advised to ensure that the changes made pursuant to our initial clarifications and all correspondences exchanged are duly incorporated in the updated DRHP/ RHP/ Prospectus.
2. These observations while referring to a specific chapter or point, however the LM shall ensure to disclose the same across all pages/chapters where the same/similar matter occurs in the DRHP. The BRLM shall also ensure that these disclosures are made in all filings with SEBI as and when by the BRLM or wherever they are involved in the filing in any manner.
3. Wherever the LM has undertaken to modify the risk factors in its replies, the same shall be duly modified and incorporated in the updated DRHP/ RHP/ Prospectus.
4. Wherever the LM has mentioned "*Noted for compliance*" or "*Complied with and noted for compliance*" in its replies, LM shall ensure that the same are duly complied with.
5. The LM is advised to ensure that in the entire DRHP, the language used is lucid, usage of abbreviations is limited, abbreviations to be used in the para, if already quoted in the same page /heading, any expressions, jargons or nomenclatures from other languages or not commonly used, are explained clearly at every place where they are used.
6. LM is advised to ensure that the disclosure of risk factors are based on materiality, to be supported by quantifiable data to bring out the risk and to make cross-reference the exact page no. of DRHP, wherein the details of information has been disclosed.
7. Details regarding BRLMs acting as Global Coordinators / Joint Global Coordinators may be provided at section on inter-se allocation of responsibilities in the draft offer document and the offer document.
8. LM is advised to ensure that the following details are provided in the UDRHP/RHP - Price at which specified security (including preference shares) was acquired in the last 3 years, by each of the promoters, promoter group, selling shareholders, shareholders entitled with right to nominate directors or any other rights. Following details may be disclosed for such transactions in tabular format – name of acquirer, date of acquisition, number of shares acquired and acquisition price per share.



9. Sequencing of the chapters in the offer document shall be strictly in terms of the Schedule VI of SEBI (ICDR) Regulations, 2018.
10. Summary of the Offer Document- Simple conversational language to be used. No abbreviations shall be used.
11. Definitions and Abbreviations- for Technical, Company / Industry related Terms or Abbreviations, along with the expanded form, suitable meaning / explanation to be provided in simple language.
12. Risk Factors – Every Risk Factor shall be provided with a cross-reference to the detailed description of the facts/reasons in the updated DRHP / RHP, wherever applicable. Any past instances in the last three financial years and stub period and their impact, if material, shall be disclosed in Risk factors.
13. Clause 24 (3) of SEBI (ICDR) Regulations, 2018, requires LM to exercise due diligence and satisfy himself about all aspects of the issue including the veracity and adequacy of disclosures in the offer document. In view of the same, LM is advised to ensure that:
 - i. The offer document shall not contain any information where no responsibility is taken by the BRLMs or the Issuer Company / Expert.
 - ii. The “Industry Overview” section represents a fair and true view of the comparable industry scenario and the same is neither exaggerated nor have any underlying assumptions been omitted for investors to make an informed decision.
 - iii. LM is further advised to include industry report in the list of material documents for inspection and also provide a link in the offer document for online access of industry report.
14. LM shall confirm whether there has been a change in auditor(s) before completion of the appointed term (in any of the past five fiscal years), and the reasons thereof.
15. LM is advised to modify the statement, “*We are one of the leading Indian engineering, procurement and construction companies....*” at all relevant places in the DRHP by clearly disclosing the rank/ market share of the company in relation to the industry. In case the same is not available/ verifiable, such statements may be deleted.
16. LM is advised to modify the statement, “*We have a track record of four decades in providing comprehensive solutions on a turnkey basis globally....*” at all relevant places in the DRHP with specific disclosure stating as to which segment/vertical the track record pertains (EPC, power transmission and distribution, etc.). In case the same is not available/ verifiable, such statements may be deleted.

17. LM is advised to delete the statement “*Our Company has also reported the highest growth in its revenue.....ended March 31, 2023*” from *Primary business of company* paragraph. (Page 13)
18. LM is advised to disclose the vertical wise revenue on the business of issuer company (Refer page 174). LM to disclose the business model / revenue model of Issuer company.
19. LM is advised to disclose details of Gammon Engineers and Contractors Private Limited JV (Page 16). Further, disclose whether there can be any impact (financial or otherwise) on the Company due to any outstanding liabilities of Gammon Engineers and Contractors Private Limited JV. Also, explain/ disclose reasons for Receivables outstanding and probability of receipt of such amounts from Gammon Engineers and Contractors Private Limited-Joint Venture (Page 19).
20. On page 21, it is noted that the company has allotted shares to Asiana Alternative Investment Fund scheme. LM is advised to disclose the details of registration of Asiana. LM is advised to disclose the adjusted price of acquisition post-split. LM is advised disclose the details of utilisation of proceeds of preferential allotment.
21. The risk factors, to the extent possible, should disclose the specific as well as financial/economic impact on the company rather than being generic.
22. When disclosing the status of government approvals in the Risk Factors, LM is advised to include a cross reference with specific page numbers to other sections where the disclosures are made. If approval has a validity, the same shall be mentioned. Consequences of withdrawal of licenses/approval shall be provided.
- Risk Factors-**
23. LM is advised to rearrange the risk factors in order of importance/ materiality.
24. **Risk Factor 1-** LM is advised to rephrase the heading of risk factor as “*Our Order book does not show orders on hand for execution as it is subject to cancellation, modification or delay which ,may materially and adversely affect our business, future prospects, reputation, financial condition and results of operation.*” LM is advised to disclose only such projects in Order book which have been finalized and delete all references to L1 order book from all relevant places in the DRHP. (Page 29)
25. LM is advised to disclose a risk factor regarding risks of successful bidding and obtaining L1 contracts but still not being awarded such contracts.
26. **Risk Factor 2-** LM is advised to disclose details of material instances of time and cost overruns (as submitted in reply) in a consolidated manner in the risk factor.



27. **Risk Factor 3-** LM is advised to rephrase the heading of risk factor as *"Our business is substantially.....September 30, 203. Any delays in tenders released or no tenders released by such entities may have a material adverse effect on our business, financial performance and results of operations."* LM is advised to disclose details of revenue and percentage of revenue derived from government and non- Government clients for the last 3 FY. Further, disclose number of contracts and number of clients (government and non-government) for last 3 FY. LM is advised to disclose the data regarding concentration in the heading of the Risk Factor.
28. **Risk Factor 5-** LM is advised to delete the statement from heading of risk factor *"We have filed compounding applications with the MCA for such non-compliances from heading of risk factor."* Further, disclose whether all violations found by MCA in its inspection were compoundable and whether all violations have been compounded by MCA. LM is advised to update the details of compounding amount and order and the same shall be disclosed as part of material documents for inspection.
29. **Risk Factor 5 -** LM to disclose the name of related party (*point i*), LM to disclose the amount and parties to which the debt are given which are written off (*point ii*). LM to confirm whether documentary proof for procurement of funds and valuation certificate of company by Ajanma Holdings Pvt Ltd was furnished by company to MCA (*point iii*). Further, LM to confirm whether all material violations found by MCA in its inspection are disclosed in the RF. LM to disclose reasons for delay in filing the compounding application. LM is advised to disclose whether any violation is still continuing or not compounded by MCA.
30. **Risk Factor 6-** LM is advised to disclose details/ cross-reference for source of financing capital expenditure and working capital of the company for last 3 FY.
31. **Risk Factor 8 and 9-** LM is advised to move the risk factor to top 5.
32. **Risk Factor 8-** LM is advised to disclose the hedging details on forex, if any.
33. **Risk Factor 10-** LM is advised to delete the phrase *".....due to factors beyond our control..."* from heading of risk factor.
34. **Risk Factor 11-** LM is advised to disclose data for geographical spread of company's ongoing projects in domestic and international market for last 3 FY.
35. **Risk Factor 13-** LM is advised to disclose the past instances along with data for last 3 FY.
36. **Risk Factor 14-** LM is advised to move the risk factor to top 10. LM is advised to disclose the details / approvals regarding the proposed acquisition of GECPL.

37. **Risk Factor 17-** LM is advised to disclose past instances, if any, related to any accidents and claims in the last 3 FY.
38. **Risk Factor 18 and 20-** LM is advised to delete disclosures stating onerous terms and conditions in government approvals and licenses; and government contracts in case no such onerous terms and conditions are present in their agreements.
39. **Risk Factor 19-** LM is advised to move the risk factor to top 15. LM to disclose the details of CBI proceedings as one of the Top 10 risk factors and possible impact of the same on the issuer company. LM is advised to disclose a separate risk factor regarding past actions by RBI as top 10 Risk Factor. Also, disclose warning letters issued by RBI as part of material documents for inspection.
40. **Risk Factor 22-** LM is advised to delete the statement from heading of risk factor *"Information relating to historical installed capacity and estimated capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates and our future production and capacity utilization may vary."* and move it below to content of risk factor.
41. **Risk Factor 24 –** LM is advised to move the risk factor to top 10.
42. **Risk Factor 25-** LM is advised to disclose details of Joint venture partners and percentage of revenue generated from them along with the risks involved in the same.
43. **Risk Factor 33-** LM is advised to move the risk factor to top 15.
44. **Risk Factor 31, 37-** LM is advised to move the risk factor to top 20.
45. **Risk Factor 38-** LM is advised to disclose that any changes shall be subject to approval of shareholders.
46. **Risk Factor 39-** LM is advised to disclose details of downward revision in ratings/ outlook in the last 3 FY.
47. **Risk Factor 40-** LM to confirm that the properties owned/ leased by the company are non – agricultural land for commercial purpose with all requisite approvals in place.
48. LM is advised to disclose additional risk factors/ incorporate in suitable risk factors for following-
- Absence of any agreements with customers, suppliers, third party logistics provider, etc.
 - Concentration risk in few suppliers of the company, if applicable.

- iii. The Company was allocated certain borrowings pursuant to the Scheme of Arrangement, however, certain lenders thereof did not sign the novation agreements and outstanding liability in this regard is disclosed in financial statements.
 - iv. Revenue growth for domestic projects is less than international projects i.e. there is stagnation in revenue from domestic projects.
 - v. Capital raising risk.
 - vi. Risk due to concentration of revenue from international clients along with data and country wise risk associated with the same.
 - vii. Risks due to EPC contracts along with the percentage revenue from such contracts.
 - viii. State-wise concentration risk along with the breakup of revenue from each state.
 - ix. Regulatory risk – state specific and its impact on the operations of issuer company
 - x. Reducing cash flow as risk factor.
49. LM is advised to disclose in detail, reasons for decrease in Profit for FY 2021-22 as compared to FY 2020-21.
50. LM is advised to disclose cross-reference to details of installed and utilized capacity of the manufacturing facilities in *Objects of the Offer* section wherein object regarding proposed capital expenditure towards purchase of machinery and equipment is disclosed.
51. LM is advised to disclose in detail, rationale for *Key Assumptions and Justification for Holding levels* for estimated working capital requirements disclosed in *Objects of the Offer* section. (Page 90-91)
52. LM is advised to ensure intimations to RoC/ MCA are disclosed as part of material documents for inspection.
53. LM is advised to confirm whether letter to RoC intimating it about untraceable records/ delay in filing corporate records, etc. has been taken on record by RoC.
54. LM is advised to confirm that shares held by ICICI bank are less than 1% of paid-up share capital of the company. (Page 78)
55. In *Capital structure* section, LM is advised to disclose the history of change in promoters of the company in the past. LM is advised to also disclose such details of shareholding structure/ beneficial owners in the form of charts/ graphical representation.



56. In *Capital structure* section, LM is advised to disclose explanation for compliance of provisions of companies Act, 2013 regarding issuance of ESOP to Mr. Digambar C Bagde as submitted vide BRLMs' letter dated August 12, 2024.
57. LM is advised to disclose which business was transferred from Gammon India Limited to Company. Further, disclose what percentage of equity was allotted to Gammon India Limited pursuant to scheme of arrangement and Business transfer agreement and at what valuation/ price. (Page 76)
58. LM is advised to explain "As per latest Benpos dated March 7, 2024, generated by RTA, total number of shareholders are 22 which includes 2 different folios of "Punjab National Bank"(holding DP ID/Client ID - "IN300812 10501028" and "IN300708 10066727"), hence the number of Shareholders in Public category would be read as 18." (Page 77)
59. LM is advised to disclose the relationship, if any, between Gammon India Ltd and the issuer company. (Page 83)
60. LM is advised to explain the inclusion of "Scrap" and "Bought out & other" in the current assets. (Page 88)
61. LM is advised to explain the " contract assets" and " Contract liabilities" in the working capital estimation and reasons for large increase in the estimate.
62. LM is advised to provide complete details of location/ facility (eg. Butibori central store and complete vendor details (eg. TESMEC full form) (Page 93-94)
63. LM is advised to update date of quotations whose validity has expired. (Page 93-94)
64. LM is advised to disclose impact of capital expenditure (purchase of plant, machinery) on the existing manufacturing facilities and their existing capacity. (Page 95)
65. LM is advised to disclose detailed justifications for working capital requirements disclosed in *Objects of Offer* section.
66. LM is advised to disclose a suitable risk factor in top 20 related to the statement "we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or provide the service at the same costs. If there is any increase in the costs of equipment, the additional costs shall be paid by our Company from its internal accruals." disclosed on Page 96.
67. LM is advised to disclose brief business profile of listed peers disclosed on Page 101.

68. LM is advised to confirm that all the KPIs are disclosed and clarify the statement “*which have been consequently identified and material KPI*”. (Page 101)
69. In page 57, LM is advised to disclose the details of pre- IPO placement, if undertaken.
70. In page 96, LM to disclose whether the deployment will be in the form of debt or equity in respect of investment in subsidiaries and associates from proceeds proposed to be utilized for GCP.
71. In page 98, LM to confirm compliance of Regulation 41 of SEBI ICDR with respect to monitoring of Gross issue proceeds instead of Net Issue proceeds.
72. LM is advised to disclose suitable risk factors for risks as disclosed in Industry report.
73. In page 176, LM to disclose the details of “two tunnel projects...” as mentioned therein.
74. In page 177, LM to disclose / explain the term “Order Book” . LM to disclose the data on funding by multilateral agencies and letters of credit.
75. In Page 185, LM is advised to disclose whether projects have been completed in time and whether there have been cost and time overruns in the key projects completed in last five years as disclosed.
76. In page 186-187, LM is advised to disclose agreed completion date and expected completion date for all projects disclosed.
77. In reference to Key Highlights of completed projects in power transmission and distribution sector disclosed on Page 187, LM is advised to disclose a list of all completed projects in last three years with date of commencement, date of completion, details of delay, if any, time and cost overruns, etc.
78. LM is advised to disclose details of number of employees and statutory dues (eg. Provident Fund, ESIC, Income tax etc.) paid for them by the company in last 3 FY and whether there have been any delays in payment of such statutory dues in *Our Business* section. (Page 195)
79. LM is advised to confirm whether details of all properties (owned/ leased) have been disclosed and disclose whether any properties are leased from related parties.
80. LM is advised to ensure that all special rights available to the Shareholders, will cease to exist upon listing of Equity Shares on the Stock Exchanges pursuant to the Offer, without requiring any further action.



81. LM is advised to verify independence of directors appointed as Independent directors by the company.
82. LM is advised to disclose shareholding of Freyssinet Prestressed Concrete Company Limited for the last 3 FY and details of change in control/ majority shareholder.
83. LM is advised to disclose if BHD and Transrail International FZE are separate companies. (Page 214)
84. LM is advised to explain “^ Subject to approval from our Shareholders.” (Page 217)
85. LM is advised to disclose specific number of years of experience of directors wherever “several years of experience” has been disclosed on Page 217. Further, disclose in what position the directors were associated with companies in the past.
86. LM is advised to clearly disclose link of individual promoters to Ajanma Holdings Private Limited and details of change in Promoters of Ajanma Holdings Private Limited since it acquired control of company. (Page 232-233)
87. LM is advised to disclose present activity of all group companies of the company (page 236-237). Further, disclose whether Transrail foundation is a company incorporated u/s 8 of Companies Act, 2013.
88. LM is advised to disclose date of litigations for each outstanding litigation disclosed. Further, confirm/ disclose whether company is a party to litigation by EPFO and status of show cause notice issued by AfDB. (Page 338)
89. LM is advised to disclose whether employee against whom civil suit has been filed by Mushtaq Ahmed is a KMP of company. (Page 339)
90. LM is advised that Market Value at Issue Price to Total Turnover and P/E Ratio at issue price shall be added in Price Advertisement. LM is also advised to add a suitable risk factor in this regard, if applicable.
91. LM is advised to incorporate a risk factor in top 10, if applicable, disclosing that average P/E of the listed peer set is [•] while our company’s P/E will be at premium of [•] times at the higher price band and [•] times at the lower price band.
92. LM is advised to ensure that disclosure made with respect to Offer Price and Price Band are in compliance with Part VII of Chapter II of SEBI (ICDR) Regulations, 2018. LM is advised to refrain from making any disclosure in the offer document w.r.t. offer price which are not in line with SEBI (ICDR) Regulations, 2018 such as “*The Offer Price will be decided by our Company and the Selling Shareholders, in consultation with the Selling Shareholders and the BRLMs after the Bid/Offer Closing Date*”. LM is advised to make necessary changes in the offer document wherever applicable. LM is advised to ensure for all future issues as well.

93. Legal and Other Information-

- i. LM is advised to identify and include risk factor for material litigation, if any, which may adversely affect the company.
 - ii. LM shall update the details of the status of litigation with the latest/ updated position of litigations against promoter/ promoter group entities/ company and the companies promoted by the issuer.
 - iii. LM is advised to ensure the disclosures of all actions taken by the statutory and regulatory authority.
94. LM shall disclose the details of the pledged shares held by the promoters/promoter group in the Issuer Company / its subsidiaries.
95. LM is advised to adhere to the following conditions:
- i. UDRHP is filed with SEBI not less than seven working days prior to submission of the draft advertisement for announcement of price band advertisement.
 - ii. UDRHP shall contain necessary updated disclosures justifying the offer price under Section – “Basis for offer price”, “Risk Factors” etc., particularly emphasizing on appropriate Key Performance Indicators as applicable to the industry in which the issuer company operates in quantitative terms, (For illustration, P/E ratio in case DRHP is filed under Regulation 6 (1) of the ICDR Regulations (and /or) Market Cap / Total Revenue ratio in case DRHP is filed under Regulation 6(2) of the ICDR Regulations), with corresponding suitable explanations so as to justify the offer price.
96. LM is advised to ensure that the processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.
97. LM is advised to disclose the details of all profit sharing arrangements involving the Issuer, promoters, promoter group, directors and shareholders, if any.
98. Ensure that details of the Directors in the section titled “Management” clearly depicts if any director is a nominee. If so, please also disclose the details who have nominated them. Similarly, such details to be disclosed for the KMPs as well. Please also confirm that apart from that disclosed in the offer document, there are no other nominee directors, KMPs or other persons etc. appointed on behalf any of the shareholders or any other person.



99. LM is advised to verify and disclose if the name of any of the directors, promoter and promoter group persons is appearing in the list of directors of struck-off companies by ROC/ MCA. Also verify and disclose if the name of the promoter group companies and group companies is appearing in the list of struck-off companies by ROC/ MCA.
100. LM to disclose all the complaints received so far, if any and forwarded by SEBI for comments be under material documents available for inspection along with their respective replies.
101. With respect to all the complaints received by LM/Company and complaints forwarded by SEBI, LM is advised to ensure that there is adequate redressal of the complaint and relevant disclosures, if required, are made in the Red Hearing Prospectus and other Offer related material along with the disclosures of the Financial Impact of the same, if any. Further, LM is advised to incorporate a prominent Risk Factor, if required, for such complaints received.
102. LM is advised to update the RHP in respect to all pending litigations including for any legal notices where the Company is in receipt of such notices post filing of DRHP.
103. LM is advised to ensure that the details of all the criminal matters initiated against the company, group companies, directors, subsidiaries which are at FIR stage and no/some cognizance has been taken by court is incorporated in the RHP along with appropriate risk factors in this regard.
104. LM is advised to include a reference to the circulars CFD/DIL2/CIR/P/2018/22 dated Feb 15, 2018 and CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 at all applicable sections in DRHP.
105. Under section "Monitoring of Utilization of funds", LM is also advised to make suitable disclosure on following points:
- The proceeds of the issue shall also be monitored by the Audit Committee till utilization of the proceeds.
 - For any investments in acquisitions or strategic partnership or any inorganic growth initiative, post IPO from the IPO proceeds, detailed disclosures of same shall be made in public domain at that time.
 - Issuer Company shall provide details / information / certifications obtained from statutory auditors on the utilization of the Net Proceeds to the Monitoring Agency.
 - Issuer Company shall for the purpose of quarterly report by Monitoring Agency, provide item by item description for all the expense heads under each object of the issue.

- v. Issue Company shall in its quarterly Notes to Accounts of its Financial Statements include the employment of issue proceeds under various heads.

106. LM is advised to disclose offer expense to be borne by the issuer vis-à-vis Gross Fresh proceeds only (excluding expenses for OFS). LM is advised to ensure that Net offer should be calculated as Proceeds from Fresh issuance deducted by offer expense to be borne by the issuer.

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

"Risks to Investors:

- i. *The [to be disclosed] Merchant Bankers associated with the issue have handled [to be disclosed] public issues in the past three years out of which [to be disclosed] issues closed below the issue price on listing date."*
- ii. *Any adverse data in the basis for issue price should be disclosed. For example:*
 - *"The Price/Earnings ratio based on diluted EPS for [latest full financial year] for the issuer at the upper end of the Price band is as high as [to be disclosed] as compared to the average industry peer group PE ratio of [to be disclosed]."*
 - [if average industry peer group PE ratio is not available, then P/E of Nifty Fifty may be disclosed]*
 - *"Average cost of acquisition of equity shares for the selling shareholders in IPO is [to be disclosed] and offer price at upper end of the price band is [to be disclosed]."*
 - *"Weighted Average Return on Net Worth for [last three full financial years] is [to be disclosed] %."*

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

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

109. In respect of advertisement for announcement of Price Band, LM shall ensure the following is included:



- i. Recommendation of the Committee of Independent Directors that the price band is justified vis-à-vis the last round of fund raising giving quantitative factors / KPIs.
- ii. The portion pertaining to "Risks to Investors" shall constitute at least 33% of the price band advertisement space.
- iii. LM shall ensure that all issuer companies filing offer document should provide - Price at which specified security was acquired in the last 3 years, by each of the promoters, promoter group, selling shareholders, shareholders entitled with right to nominate directors or any other rights. Following details may be disclosed for such transactions in tabular format – name of acquirer, date of acquisition, number of shares acquired and acquisition price per share.
- iv. The risks to investors shall include weighted average cost of acquisition of all shares transacted in last 3 years and 1 year, from the date of RHP, in the following format:

Period	Weighted Average Cost of Acquisition (in Rs.)	Cap Price Is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price - Highest Price (in Rs.)
Last 1 year			
Last 3 years			

- v. The font size for price band and "Risk to investors" should be increased to match the font of BID/Offer Programme.
 - vi. Matters related to ASBA and UPI may be brought subsequent to Price Band, Risks to Investors, Bid/ Offer Programme and other offer details, and can be of smaller font.
 - vii. The portion pertaining to "BRLMs" shall not constitute more than 10% of the price band advertisement space.
110. LM shall ensure that the details with respect to Fresh Issue and Offer for Sale be separately disclosed in the Price Band advertisement and details of selling shareholders be presented in a tabular format.
111. LM shall ensure that the range of acquisition price (lowest price-highest price), as disclosed in the RHP and Price Band advertisement, should not be 'Nil' and be computed exclusive of bonus and gift.
112. LM is advised to disclose major risk factors concisely in the "Risk to investors" section of the Price Band Advertisement.





113. LM shall ensure that the details of past issues handled by BRLMs, which closed below the offer price on the listing date, to be published in the below mentioned format:

BRLMs	Total Issues	Issues closed below IPO Price on listing date
BRLM 1/ BRLM 2/ BRLM 3		
Common issues of BRLMs		
Total		

Annexure II

General Observations

1. LM is advised to ensure that prior to filing of RHP with Registrar of Companies, the Issuer Company has received crucial clearances / licenses / permissions / approvals from the required competent authority which are necessary for commencement of the activity for which the issue proceeds are proposed to be utilized.
2. LM is advised to ensure that the 'Observation Letter' issued by SEBI is included among the material contracts and documents for inspection.
3. LM is advised to ensure that cover page to be strictly in compliance with the ICDR Schedule VI- all extra texts may be avoided to ensure that the focus remains on the statutory texts mentioned in the Schedule.
4. LM is advised to ensure that prior to proceeding with the issue, "No Objection Certificates" are obtained from all the lenders with whom the company has entered into an agreement and the terms of such agreement require an approval to be taken.
5. LM is advised to ensure that adequate disclosures are made to disclose any material development which may have a material effect on the Issuer Company between the date of registering final prospectus or the red herring prospectus or the letter of offer, with the Registrar of Companies or designated stock exchange, as the case may be, and the date of allotment of specified securities, while ensuring compliance with Regulation 42 and Schedule IX of SEBI (ICDR) Regulations, 2018.
6. LM is advised to ensure that exact cross-referencing of page numbers is provided in the offer document instead of general cross-referencing.
7. In terms of Regulation 7.(1)(c) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Regulation 31.(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Issuer Company and the Lead Manger are advised to ensure compliance with the requirement pertaining to shareholding of promoter(s) and promoter group to be held in dematerialised form.
8. LM is advised to ensure that SCORES authentication is taken by the issuer company prior to listing.
9. In pursuance of Regulation 25 Sub-Regulation 9(a) of SEBI (ICDR) Regulations, 2018, LM is advised to certify while submitting the in-seriatim reply that all amendments, suggestions and observations advised by SEBI have been complied



with and duly incorporated in the offer document, while also indicating the page number for the same.

10.ASBA:

- i) LM is advised to ensure that sufficient number of Physical ASBA forms are printed and dispatched directly to all designated branches of SCSBs which are located in places of mandatory collection centers as specified in Schedule XII of SEBI (ICDR) Regulations, 2018, Syndicate Members and Registered Brokers of Stock Exchanges, the Registrars to an Issue and Share Transfer Agents (RTAs) and Depository Participants (DPs) registered with SEBI, at least two days before the opening of the issue. This shall be in addition to ASBA forms which shall be sent to controlling branch of SCSBs for sending to designated branches other than those located in mandatory collection center.
- ii) LM is advised to ensure that the ASBA mode of payment is highlighted in bold in all the advertisement / communication informing about the issue. Further, LM is also advised to ensure that the following is suitably incorporated in all advertisements / communications regarding the issue issued by the issuer:

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

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

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

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

ASBA .

(APPLICATION SUPPORTED BY BLOCKED AMOUNT)

Simple, Safe, Smart way of Application !!!

Mandatory in public issue .No cheque will be accepted



now available in ASBA for retail individual investors.

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

For further details check section on ASBA below."

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

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

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

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

